With the thirtieth anniversary of the dissolution of the Soviet Union fast approaching, academics and analysts alike continue to question the meaning of this historical moment. This international conference, hosted at the Freie Universität Berlin with the support of the German Association for East European Studies (DGO), was an attempt to come to terms with the political economy of a country at the heart of global ideological debates. Given ongoing uncertainty surrounding the coronavirus pandemic, the event was held virtually. Pre-circulated papers were grouped thematically. Despite significant time differences, scholars based in Europe, North America, and Asia were able to attend.

In their introductory remarks, the organizers KATHARINA BLUHM (Berlin), FRIEDRICH ASSCHENFELDT (Princeton), and SEBASTIAN HOPPE (Berlin) set out the vision to unify empirical research from sociology, political science, and history into transformational periods of modern Russian history. Their stated goal was to examine the use and applicability of categories like socialism and capitalism in the Soviet and Post-Soviet case.

The workshop began by re-considering the emergence of Soviet socialism and its spread. MAX TRECKER (Leipzig) and Asschenfeldt sought to elucidate if the German war economy may be regarded as a model for the Soviet Union’s early experiments with Marxist central planning. While the mechanisms Germany employed showed the possibilities for economic rationalization, as Lenin himself famously acknowledged, wartime mobilization across the continent appeared to signal a transition to a non-capitalist social and economic order. The subsequent collapse of the Imperial Russian economy inherited by the Bolsheviks further necessitated a novel degree of planning.

The short life of four Soviet-China joint stock companies was used by XIAO SUN (Princeton) in her presentation to question the nature and goals of the spread of Soviet-style socialism. Drawing on company data and qualitative sources, she argued that economic relations between the two countries after the 1949 revolution was comparable to that of capitalist countries. Such findings relativize claims from the likes of Odd Arne Westad that Sino-Soviet relations were that of ‘brothers in arms’.1 Rather, state capitalism and possibly colonial exploitation were discussed as more relevant concepts of analysis. This empirical story could feed into a growing field dedicated to the study of socialist globalization.2

The next discussion also placed the USSR in international context, albeit in the fields of health and the environment. Presenting a research proposal, ZULEYKHA MAIL ZADA (Munich) suggested that the re-integration of the USSR into the World Health Organization in 1956 was accompanied by a policy shift in line with the global institution’s depoliticized approach of technical assistance. Soviet officials then used these interactions with the WHO to consolidate the regime from nationalism in the republics, an expression of center-periphery relations. Unlike the previous speaker, TAYLOR ZAJICEK (Princeton) found that notions of capitalism and socialism seemed to lose their clarity when researching the politics of environmentalism through the prism of science, culture, or technology in the Black Sea region of the 1960s to 1980s. Building on a trend in environmental historiography which sets two systems in comparative perspective, he emphasized the complex entanglements between the Soviet Union and its

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Host Hoppe opened a new session by directly addressing the workshop’s title and questioning whether post-Soviet Russia is (state) capitalist. He argued that its political economy more closely resembled rentierism. This thesis is a reaction to what Hoppe believes is the inflationary use of the term "capitalism" inside and outside of academia to describe the state of the Russian economy that emerged after 1991. Ultimately, his position relies on a narrow definition of capitalism as profit-based social formation, which is conceptually and empirically challenged by Russia’s political economy of rent.

The next, somewhat complementary, intervention on the subject of whether post-Soviet Russia is capitalist came from EWA DĄBROWSKA (Berlin), who spoke of Soviet legacies in Russian industrial policy which contradict the standard definition of capitalism. These could be found in areas like infrastructure, technological innovation, space exploration, creating artificial demand, and the production of consumer goods by the military industrial complex. In an era where state capitalism seems to be on the rise, Dąbrowska traced the origins of the 'Soviet turn' in one of its emblematic cases. She concluded that the failures of the hands-off approach of the 1990s, rather than authoritarianism, define the present moment.

The following session examined the role of elites in Russia’s transition to capitalism. While the historical approach of TOBIAS RUPPRECHT (Berlin) and sociological prosopography of OLESSIA KYRCHYK (Moscow) differ, both of their presentations questioned the narrative of Western diffusionism in the rise of neoliberal--esque ideas in Russia. They argued for a more nuanced picture when looking at the intellectual and political development of a generation of young economists shaped more by a tradition of mathematical economics and the global economic crises of the 1970s. Kyrchyk, in particular, emphasized how the reformers came from within, drawn from elite academic and party structures. Rupprecht’s research will be published as a chapter in Dieter Plehwe and Quinn Slobodian’s forthcoming edited book Market Civilizations: Neoliberals East and South.

In her contribution, SOPHIE LAMBROSCHINI (Berlin) brought to life the story of Soviet capitalist bankers abroad and how they helped guide post-communist transformation. The pre-circulated paper dealt principally with the first Soviet bond issued in Zürich in 1988 by the Bank for Foreign Economic Affairs of the USSR, or Vneshekonombank, with the support of the West German Bank für Kredite und Außenhandel. The role of the so-called “Zürich network” demonstrated how technocrats, not simply those in the upper echelons of power, were instrumental in opening the economy to foreign trade.

The topic ‘Soviet Socialism and the Political Economy of the Cold War’ consisted of one paper directly related to the premise of the conference. In a text co-authored with TIM BARKER (Cambridge, Massachusetts), YAKOV FEYGIN (Los Angeles) pointed to the remarkable similarities in the political economy of both superpowers during the Cold War. He reminded participants that the parallelisms in the two countries’ postwar development had been remarked upon by convergence theorists of the 1970s, who considered capitalist free markets and socialist planning to be complementary in industrialized societies, even if delivered in different social forms. The similarities ended in the 1980s, according to Feygin, when the US proved to be politically more flexible by adopting the ‘low-hanging fruit’ of neoliberalism. He also openly questioned whether the USSR was indeed socialist, especially during the 1980s.

A three-person panel offered insights into the ‘capitalist revolution’ spanning the collapse of the Soviet Union. While current literature on enterprise reform in the late Soviet Union pits bold reformers and against conservatives in government and society, ANNA IVANOVNA (Cambridge, Massachusetts) suggested that opposition was widespread. In her view, reformers’ belief in the progressive nature of the transformations and the general populace’s far-sighted concerns about rising inequality showed that

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public debate was still couched within socialist terminology of labor and income distribution. This runs contrary to the customary and triumphalist liberal script that the reforms ultimately discredited socialism and led to the Soviet Union’s demise.\(^5\)

Sticking with market reform, BORIS GINZBURG (Berlin) evaluated three familiar hypotheses for the „loans-for-shares“ privatization campaign of the mid-1990s. One, the Kremlin sold off state assets in unfair auctions to secure financial and media support from the oligarchs for Yeltsin’s presidential election campaign in 1996. Two, the same government used oligarchs to unseat „Red Directors“ in state enterprises. Three, the Kremlin wanted to convert the oligarchs from pro- to anti-inflationary forces. His preferred account blended the first two, resembling closely the narrative of the implicated oligarchs.

Turning towards the global implications of the Soviet Union’s fall for pro-market theories of development, the presentation from MIHAI VARGA (Berlin) surveyed the World Bank’s oral history project using the theoretical framework of paradigm hybridization.\(^6\) The institution’s understanding of capitalism was characterized by a strong focus on market economy and property rights. Since ‘anomalies’ or divergent cases like China and Russia had to be explained within the existing narrative framework, the World Bank’s original concept of capitalism took what the author referred to as an argumentative U-turn. Whereas at the start of the 1990s, transitioning countries were perceived as rather homogenous, different outcomes were later explained by the speed of reforms or pre-existing conditions within these countries. By integrating new explanatory variables into an existing paradigm without changing core assumptions, Varga made the case that the World Bank was a central agent in shaping the neoliberal consensus.

The last topic ‘Illiberal Conservative Developmental Statism’ was based on a chapter by Bluhm in a forthcoming book. She presented the draft together with colleague and co-author Varga. For them, the term illiberal conservatism is not sufficient to understand the post-communist space on an ideological level. To exemplify this, they cited countries like Poland, Russia, and Hungary, where nationalist politicians exploited a political vacuum left by the absence of ‘traditional’ conservatism to establish a particular form of illiberal conservatism. In a break with their neoliberal predecessors, these new political players emphasized a strong central executive as a corrective and a means to accelerate development. Hiding behind populist speech, they shared a common ideology, which Bluhm and Varga have termed illiberal conservative developmental statism.

After three productive days of discussion and debate, the final remarks were left to Hoppe. He thanked those attending for their contributions and constructive feedback ahead of a Europe-Asia Studies special issue. The event managed to blend established academics and young researchers, all of whom were eager to open up new ground in the field. The list of speakers did, however, reflect the hosts’ institutional ties. A wider group could be invited in the future, in particular academics from the post-Soviet space. The chosen themes also leaned heavily, but not exclusively, on political economy. Indeed, the focus on transformational periods in Russian history could be read as a story of the state as the agent of change.

As for the overall theme, Max Weber’s understanding of concept formation as an interpretative construction of reality remains controversial in social sciences. The conference attempted to critically evaluate the notions of capitalism and socialism: Are they appropriate and useful concepts to grasp the historical and cultural nature of the researched phenomena? Among participants, it was accepted that clear definitions of socialism and capitalism may be helpful or even required in some cases, but have limited use in others. This opens up the opportunity for other terms of reference, like rentierism, state capitalism, or the wordier illiberal conservative


developmental statism. Their advantage over the socialism/capitalism paradigm is yet to be clearly proven.

The question of how to categorize Soviet and Post-Soviet Russia is still a vexing one. Nineteen-ninety-one as a point of transition was relativized throughout conference, largely because of its incomplete results. Thirty years on, it is unclear whether Putin will continue to revive Soviet legacies or lead Russia down a new path.

Conference overview:

Opening Remarks
Katharina Bluhm (Berlin) / Friedrich Asschenfeldt (Princeton) / Sebastian Hoppe (Berlin)

The Emergence of Soviet Socialism and its Spread

Global governance of Soviet Socialism

Is post-Soviet Russia capitalist?
Sebastian Hoppe (Berlin): Illusive Capitalism. Russia’s Non-Transformative Developmentalism and the Political Economy of Rent
Ewa Dąbrowska (Berlin): Is state intervention compatible with capitalism? Dilemmas of industrial policy in post-Soviet Russia

Reforming Socialism?
Tobias Rupprecht (Berlin): The Road from Snake Hill. The Genesis of Russian Neoliberalism
Olessia Kyrchyk (Moscow): A Prosopographical Perspective on Economic Policies in the late 1980s and 1990s
Sophie Lambroschini (Berlin): Soviet capitalist bankers on the financial front of cold wars: Trajectories and practices, 1985-2014

Soviet Socialism and the Political Economy of the Cold War
Yakov Feygin (Los Angeles): Cold War As Political Economy. The Origins of Super Power Stagflation

Publication Process at Europe-Asia Studies
Luca Anceschi (Glasgow)

Perestroika’s Conceptual Discontents
Mihai Varga (Berlin): The Demise of the Soviet Union. Controversies and Significance for Pro-Market Theories of Development
Boris Ginzburg (Berlin): Manus Manum Lavat: The privatization campaign „loans-for-shares“ in Russia 1995/96

Ideas and Russian state capitalism
Katharina Bluhm (Berlin) / Mihai Varga (Berlin): Russia’s contemporary state capitalism in national-conservative thinking

Concluding remarks and publication plan
Katharina Bluhm (Berlin) / Friedrich Asschenfeldt (Princeton) / Sebastian Hoppe (Berlin)