

**Economic 468**  
**Socialism, Planning and Russian Economy**  
**9:00AM - 12:15PM**

**Rosefelde**  
**Maymester 2023**  
**Online**

**May 17, 2022-June 1, 2022**

## **Syllabus**

### **Course Description**

Russian economy elaborates Vladimir Putin's managed market system in post-Soviet socialist perspective. The course introduces students to the concepts of socialism and planning. It outlines the fundamentals of Soviet command socialism, investigates its weaknesses, and explains why the USSR's economy imploded. It describes Putin's transition strategy, highlights its characteristics, including residual socialist features, investigates the new system's economic potential and assesses its merit using the competitive consumer sovereignty standard. These insights illuminate the economic factors that facilitated Russia's invasion of Ukraine February 24, 2022 and the Kremlin's ability to weather the West's punitive economic sanctions.

At the end of the course, students will be able to understand the costs and benefits of Soviet socialism, and socialist economy more broadly, as well as Russia's ability to engage in a new Cold War with the West.

### **IDEA Course:**

Russian Economy is a FOCUS CAPACITY course that enables students to encounter key capacities (Identify, Discover, Evaluate, Act) under the category of **Global Understanding and Engagement**.

Students will study and engage with global processes shaping the world and its peoples, including those beyond the North Atlantic region (United States, Canada, and Western Europe). Topics include globalization and anti-globalization movements, resurgent socialist idealism, transnationalism, and authoritarianism.

Students will develop deep knowledge of historic or contemporary roles and differential effects of human organizations and actions on global systems.

Topics covered in this course will help students answer important questions.

## Questions for Students:

What forces connect and distinguish the experiences of socialist and Russian societies with other societies, and human organizations around the world? How can I understand and compare socialist and Russian worldviews from other outlooks? What connections and differences exist between Western, socialist and Russian worldviews, experiences, societies, or power structures? What ideas, approaches, and international sources allow scholars to compare Western with socialist and Russian societies? Why did Russia invade Ukraine?



Francisco de Goya  
Que viene el coco (**Here Comes the Bogey-Man**) 1799

## How does this course satisfy the Ways of Knowing focus capacity Learning Outcomes?

Students will be taught the socialist theories and planning concepts that shaped Soviet civilization and will be shown how to evaluate these constructs with neoclassical economic welfare theory. This will allow them to grasp Soviet performance from the consumer utility and social wellbeing standpoints. Students will be taught how to perform the same analysis for Putin's managed market economy. Students will be taught how to apply neoclassical economic hypothesis testing to objectively assess the comparative merit of Soviet socialist and Russia's system. Students will be taught how to evaluate economic science-related

claims and information from popular and/or peer-reviewed sources by examining the relationship between the evidence, arguments, and conclusions presented and by assessing consistency with existing knowledge from valid and reliable scientific sources. Students will be taught how to identify, assess, and make informed decisions about ethical issues connected with the Soviet and Russian systems.

### **Accessibility Resources and Service (ARS)**

The University of North Carolina at Chapel Hill facilitates the implementation of reasonable accommodations, including resources and services, for students with disabilities, chronic medical conditions, a temporary disability or pregnancy complications resulting in barriers to fully accessing University courses, programs and activities.

Accommodations are determined through the Office of Accessibility Resources and Service (ARS) for individuals with documented qualifying disabilities in accordance with applicable state and federal laws. See the ARS Website for contact information: <https://ars.unc.edu> or email [ars@unc.edu](mailto:ars@unc.edu).

(source: <https://ars.unc.edu/faculty-staff/syllabus-statement>)

## **READINGS**

### **TEXTS**

Steven Rosefielde, *Russian Economy from Lenin to Putin*, Wiley, 2007 (**Purchase**).

Steven Rosefielde, *Russo-Ukrainian War: Implications for the Asia Pacific*, World Scientific Publishers, 2023.

Steven Rosefielde, **Kremlin Strikes Back: Russia and the West after Crimea's Annexation**, Cambridge University Press, 2017. (**Purchase the paperback**)

Steven Rosefielde, *Putin's Russia: Economic, Political and Military Foundations*, World Scientific Publishers, 2020. (**Purchase**).

Steven Rosefielde and Quinn Mill, **Beleaguered Superpower: Biden's America Adrift**, World Scientific Publishers, 2021 (**Purchase**),

Steven Rosefielde, *Russia in the 21st Century: The Prodigal Superpower*, Cambridge University Press, 2005. (Recommended)

### **SUPPLEMENTARY BOOKS**

Steven Rosefielde and Bruno Dallago, *Transformation of Russia, Ukraine, Central and Eastern Europe*, 2016. Paperback edition 2021 **SAKAI**

Vladimir Tismaneanu and Jordan Luber, eds., **One Hundred Years of Communist Experiments**, Central European University Press Budapest–New York, 2021.

Steven Rosefielde, ***Red Holocaust***, Routledge 2010

Steven Rosefielde, ***The Unwinding of the Globalist Dream: EU, Russia, China*** (with Masaaki Kuboniwa, Kumiko Haba and Satoshi Mizobata, eds.), Singapore: World Scientific Publishers, 2017.

Steven Rosefielde and Ralph W. Pfouts, ***Inclusive Economic Theory***, Singapore: World Scientific Publishers, 2014.

Steven Rosefielde and Stefan Hedlund, ***Russia Since 1980: Wrestling with Westernization***, Cambridge University Press, 2009.

Steven Rosefielde and Quinn Mills, ***Masters of Illusion: American Leadership in the Media Age***, Cambridge University Press, 2007.

## **ASSIGNMENTS**

**The primary textbooks are *Russian Economy from Lenin to Putin* and *Kremlin Strikes Back: Russia and the West after Crimea's Annexation*. Students are responsible for the entire works, even though class coverage will be selective. Supplementary readings including those pertinent to the midterm and final exam will be indicated at the appropriate time. There is no rigid schedule. It will unfold in the fullness of time.**

## **KEY READINGS**

**Readings pertinent to the midterm and final examinations will be assigned in a timely manner.**

## **COURSE OUTLINE**

**This course will concentrate on Russia's post-Soviet evolution and the current conflicts between Russia and the Ukraine, United States and European Union. There will also be a discussion of Russia's pivot toward China. The strengths, weaknesses and prospects for the Kremlin's economy will be exhaustively analyzed. All the material described will be covered, but pre-Soviet aspects will be interwoven into the narrative instead of being treated chronologically.**

## **Russo-Ukrainian War**

Roberts, Geoffrey. (2023). Now or Never?: The Immediate Origins of Putin's Preventative War on Ukraine, *Journal of Military and Strategic Studies*, Vol. 22, No.2: 3-27.  
<https://jmss.org/article/view/76584/56335>

Steven Rosefielde, *Russo-Ukrainian War: Implications for the Asia Pacific*, World Scientific Publishers, 2023.

## **PART I: FOUNDATIONS**

### **Theory**

Rosefielde and Ralph W. Pfouts, *Inclusive Economic Theory*, World Scientific Publishers, 2014. **Sakai**

Rosefielde, *Asian Economic Systems*, Chapter 1, Universal Standard. **Sakai**

*Russia Since 1980*,  
Introduction

*Russian Economy from Lenin to Putin*,  
Chapter 1, Muscovy and the West

**Steven Rosefielde, Kremlin Strikes Back: Russia and the West after Crimea's Annexation. SAKAI**

Marlene Laruelle, *Is Russia Fascist? Unraveling Propaganda East and West*, Ithaca NY: Cornell University Press, 2021.

Catherine Belton, *Putin's People: How the KGB Took Back Russia and Then Took On the West*, New York: Farrar, Straus and Giroux, 2020.

RUSSIA'S UNCERTAIN ECONOMIC FUTURE COMPENDIUM OF PAPERS  
JOINT ECONOMIC COMMITTEES SUBMITTED TO THE CONGRESS OF THE  
UNITED STATES, DECEMBER 2001 Printed for the use of the Joint Economic  
Committee 76-171, Washington DC 2002.

[https://www.jec.senate.gov/reports/107th%20Congress/Russia's%20Uncertain%20Economic%20Future%20\(1746\).pdf](https://www.jec.senate.gov/reports/107th%20Congress/Russia's%20Uncertain%20Economic%20Future%20(1746).pdf)

Alexander Gray, *Socialist Tradition Moses to Lenin*, London: Longmans, Green and Co.Ltd., 1947. [https://cdn.mises.org/The%20Socialist%20Tradition%20Moses%20to%20Lenin\\_3.pdf](https://cdn.mises.org/The%20Socialist%20Tradition%20Moses%20to%20Lenin_3.pdf)

## **PART II: SOVIET COMMUNISM: LENIN AND STALIN**

Steven Rosefielde, *Socialism*, Chapter 2 [Revolutionary Marxist Moment], 2021. **Sakai**

Steven Rosefielde, *Socialism*, Chapter 3 [Planning], 2021. **Sakai**

Yoji Koyama, "What was Soviet and East European Socialism  
Its Historical Lessons and Future," *Society/Historical Studies of Socialist System*, No.26  
(February 2022). **Sakai**

Steven Rosefielde, *Socialism: Hope not yet Abandoned*, 2022. **Sakai**

James Meek, *The People's Act of Love*, Canongate, New York, 2005.

Yuri Slezkine, *The House of Government: A Saga of the Russian Revolution*, Princeton NJ:  
Princeton University Press, 2017.

Sheila Fitzpatrick, "Good Communist Homes", *London Review of Books*, July 27, 2017,  
[www.lrb.co.uk](http://www.lrb.co.uk)

Akio, Kawato, *Land of Legend, Land of Dreams*, 2010; Kindle Books.

***Russian Economy from Lenin to Putin***,

Chapter 3, War Communism 1917-1921

Chapter 4, NEP: 1921-1929

Chapter 5, Command Communism: 1929-1953

Chapter 6, Terror, Homicides, and Forced Labor 1929-1953

Chapter 7, Economic Performance: 1929-1953

Michael Ellman, "Russia's Current Economic System: From Delusion to Glasnost",  
*Comparative Economic Studies* (2015), pp .1-13.

Alec Nove, *An Economic History of the USSR*, Penguin.

R.W. Davies, *Soviet Economic Development from Lenin to Stalin*, Cambridge University  
Press, 1998.

Gregory Grossman, "Notes for a Theory of the Planned Economy," *Soviet Studies*, Vol. XV,  
No.2, October 1963, pp.101.

Paul Gregory (ed.) *Behind the Facade of Stalin's Command Economy*, Princeton University  
Press, Princeton NJ, 2002.

Paul Gregory, *Lenin's Brain and Other Tales from the Secret Soviet Archives*, Hoover  
Institution Press, Stanford, California, 2007.

Steven Rosefielde, ***Red Holocaust***, Routledge 2010

Some chapters on **Sakai**

## **PART III: SOVIET COMMUNISM: HOPE AND DISENCHANTMENT**

### ***Russian Economy from Lenin to Putin***

Chapter 8, Reform Communism: 1953-1991

Chapter 9, Structural Militarization

Chapter 10, Delusions of Adequacy

Steven Rosefielde, *Socialism*, Chapter 4 [Radical Economic Reform], 2021. **Sakai**

Guinevere Liberty Nell, *Rediscovering Fire: Basic Economic Lessons From the Soviet Experiment*, Algora Publishing, New York, 2010.

Filip Novokmet, Thomas Piketty, Gabriel Zucman, “From Soviets to Oligarchs: Inequality and Property in Russia, 1905-2016”, 2017. <https://www.nber.org/papers/w23712>

### ***Russia Since 1980,***

Chapter 2, Reform Communism

Chapter 3, Pandora's Box

Chapter 4, Blindman's Bluff

Chapter 5, Squalid Superpower

The Struggle to Save the Soviet Economy

Chris Miller, *Mikhail Gorbachev and the Collapse of the USSR*, Chapel Hill: UNC Press, 2020.

### ***Transformation of Russia, Ukraine, Central and Eastern Europe***

## **PART IV: YELTSIN**

### ***Russian Economy from Lenin to Putin,***

Chapter 11, Post-Communism

### ***Russia Since 1980,***

Chapter 6, Demolition and Systems Building

Chapter 7, Crisis Management

## **PART V: PUTIN**

### ***Russia Since 1980,***

Chapter 8, Authoritarian Reconsolidation  
Chapter 9, Heritage of Neglect

## **PART VI: ADVANCE AND RETREAT**

### ***Russia Since 1980,***

Chapter 10, Semblance of Democracy  
Chapter 11, Social Change and Adaptation  
Chapter 12, International Relations

Steven Rosefielde, *Russia in the 21st Century: The Prodigal Superpower*, Cambridge University Press, 2005.

Chris Miller, *Putinomics: Power and Money in Resurgent Russia*, UNC Press, 2021.

**Steven Rosefielde, *Kremlin Strikes Back: Russia and the West after Crimea's Annexation*. SAKAI**

## **PART VII: PROSPECTS**

### ***Russia Since 1980,***

Chapter 13, Sustainable Growth  
Chapter 14, Russia in the Chinese Looking Glass  
Conclusion

Steven Rosefielde, *Beleaguered Superpower: America Adrift*, (with Quinn Mills), World Scientific Publishers, 2021.

Steven Rosefielde, “Communist Economy: The Verdict of History”, in Vladimir Tismaneanu, ed., *100 Years of Communism*, Prague: Central European University Press, 2020. **Sakai**

Steven Rosefielde, “Economic Systems: Nature, Performance, Prospects”, in Bruno Dallago ed., *Handbook of Comparative Economic Systems*, London: Routledge, 2021. **Sakai**

Steven Rosefielde, “New Millennial Economic Systems: Paradox of Power and Reason”, *Foresight and STI Governance* [Journal of the National Research University of Higher School of Economics, Moscow], Special Issue: "SYSTEM ECONOMICS — PROSPECTS OF DEVELOPMENT", 2020. **Sakai**



**Julian Cooper, “The Russian economy twenty years after the end of the socialist economic System”, *Journal of Eurasian Studies* 4 (2013) 55–64.**

Steven Rosefielde, *Putin's Russia: Economic, Political and Military Foundations*, World Scientific Publishers, 2020.

Steven Rosefielde, Chapter 3. Russia’s Military Industrial Resurgence: Evidence and Potential, in Stephen Blank, ed., *The Russian Military in Contemporary Perspective*, United States Army War College Press, 2019, pp.133-57.

Suzanne Oxenstierna, “Russia’s defense spending and the economic decline”, *Journal of Eurasian Studies* 7 (2016) 60–70.

Clifford Gaddy and Barry Ickes, *Bear Traps on Russia’s Road to Modernization*, London: Routledge, 2013.

World Bank, Country Partnership Strategy (CPS) for the Russian Federation, Report No.65115-RU, November 2011.

World Bank, Russia Economic Report, *Confidence Crisis Exposes Economic Weaknesses*, Report 31, March 2014.  
[.http://www.worldbank.org/content/dam/Worldbank/document/eca/RER-31-eng.pdf](http://www.worldbank.org/content/dam/Worldbank/document/eca/RER-31-eng.pdf)

Steven Rosefielde, “Cold Peace: ‘Reset’ and Coexistence,” *The Northeast Asian Review*, Vol.1, No.3, March 2014, pp.39-50.

Steven Rosefielde, “Demand for Energy: The EU Crisis, Global Indebtedness, and the Flagging Post-Communist Boom,” *Energetika XXI*, 2012.

Steven Rosefielde, “Russian Economic Reform 2012: ‘Déjà vu All Over Again,” **Sakai**

Steven Rosefielde, "Postcrisis Russia: Counting on Miracles in Uncertain Times," in Carolina Vendil Pallin and Bertil Nygren, eds., *Russian Military Development*, London: Routledge, 2011. **Sakai**

Steven Rosefielde, "After Soviet Communism: Authoritarian Economic Evolution in Russia and China," in Iikka Korhonen and Laura Solando eds., *From Soviet Plans to Russian Reality*, WSOUpro, Helsinki, 2011, pp.81-92. **Sakai**

Steven Rosefielde, “Economics of the Military-Industrial Complex,” in Michael Alexeev and Shlomo Weber, *The Oxford Handbook of Russian Economy*, Oxford: Oxford University Press, 2013.

Steven Rosefielde, “The Impossibility of Russian Economic Reform: Waiting for Godot.” US Army War College, Carlisle Barracks, 2012. **Sakai**

Steven Rosefielde, Masaaki Kuboniwa and Satoshi Mizobata, eds., *Two Asias: The Growing Postcrises Divide*, (with Masaaki Kuboniwa and Satoshi Mizobata, eds), Singapore: World Scientific 2012.

***Russian Economy from Lenin to Putin***,  
Chapter 12, Prospects

**Steven Rosefielde, *Kremlin Strikes Back: Russia and the West after Crimea's Annexation*. SAKAI**

Steven Rosefielde, *Russia in the 21st Century: The Prodigal Superpower*, Cambridge University Press, 2005. (Recommended)

Steven Rosefielde, "Russia's Military Industrial Resurgence: Evidence and Potential", May 2016.

Steven Rosefielde and Quinn Mills, *Masters of Illusion: American Leadership in the Media Age*, Cambridge University Press, 2007, Chapter 9, pp.203-218, Chapter 11, pp.240-44, 248-61.

Steven Rosefielde and Quinn Mills, *Democracy and Its Elected Enemies*, Cambridge: Cambridge University Press, 2013, Chapters 10 and 11.

Anders Aslund, *Russia's Capitalist Revolution: Why Market Reform Succeeded And Democracy Failed*, Peterson Institute for International Economics, Washington, DC, 2007.

Jan Leijonhielm and Fredrik Westerlund(eds.) *Russian Power Structure*, FOI, Swedish Defense Research Agency, Stockholm, January 2008.

Michael McFaul and Kathryn Stoner-Weiss, "The Myth of Putin's Success," *Foreign Affairs*, January/February, Vol.87, No.1, 2008.

Dmitri Simes, "Losing Russia," *Foreign Affairs*, November/December, Vol.86, No.6, 2007.

Yuliya Tymoshenko, "Containing Russia," *Foreign Affairs*, May/June, Vol.86, No.3, 2007.

Dmitri Trenin, "Russia Leaves the West," *Foreign Affairs*, Vol.85, No.3(May/August 2006), pp.87-96.

Andrei Shleifer and Daniel Treisman, "A Normal Country," *Foreign Affairs*, March/April 2004, pp.20-38.

Steven Rosefielde, "Russia: An Abnormal Economy," *European Journal of Comparative Economics*, Vol.2, No.1, pp.3-16, 2005. **Sakai**

Paul Gregory and Kate Zhou, "How China Won and Russia Lost," *Policy Review*, December 2009 and January 2010, <http://www.hoover.org/publications/policyreview/72997307.html>.