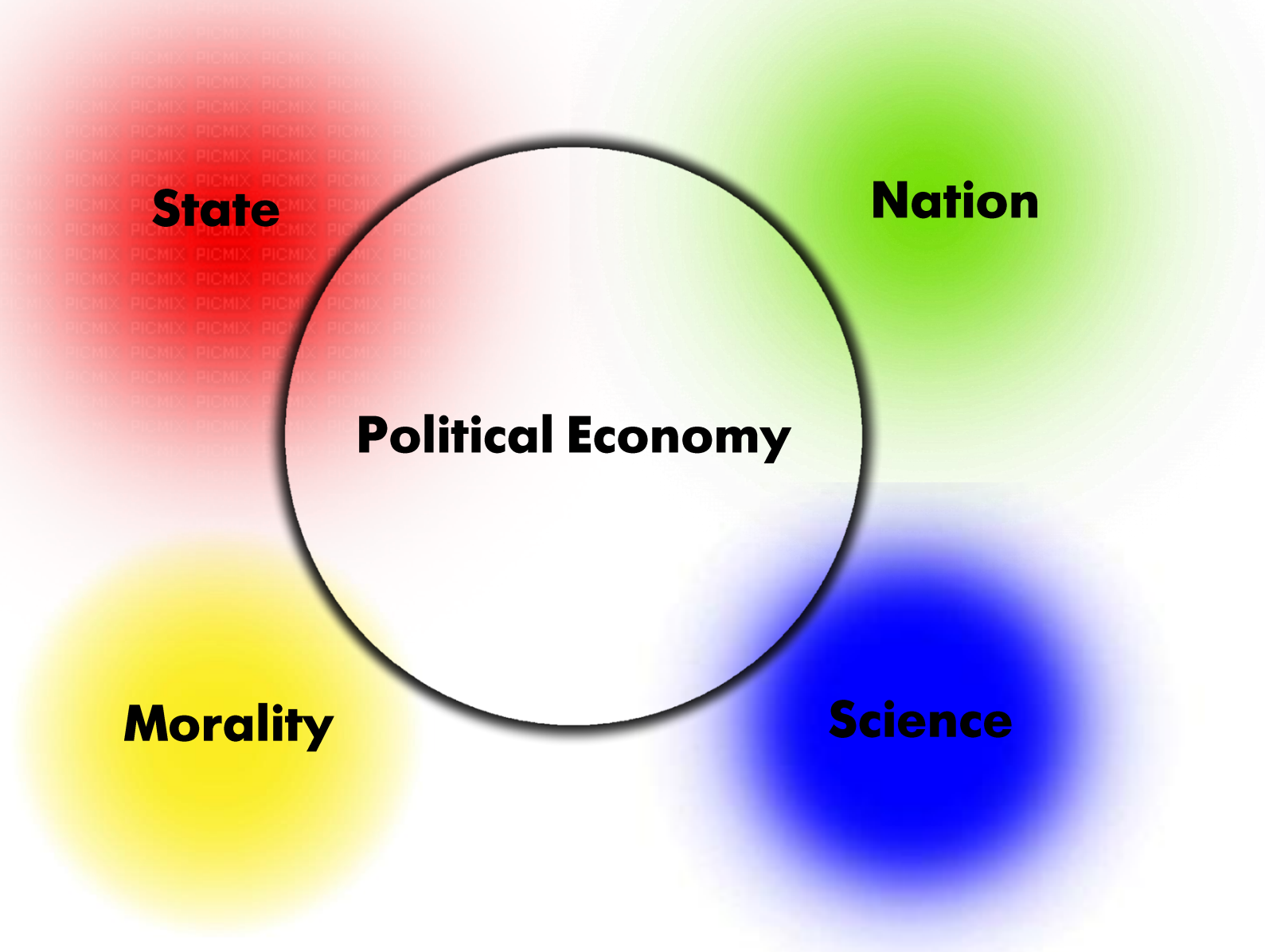


Political Economy in the Russian Empire: between *Science* and *Politics*

Marina Balakhonskaia



State, nationalism, morality and science meet in political economy.

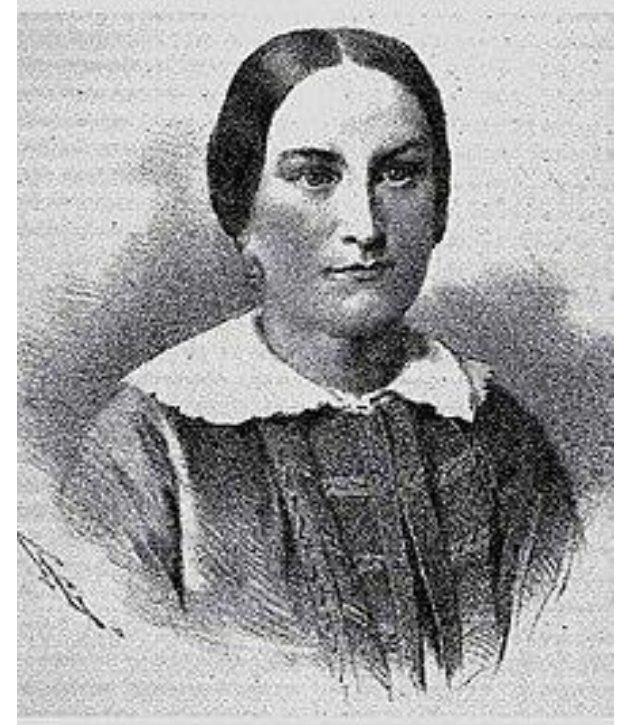


Political economy and morality

Political economy was closely linked to morality. Morality and science in general went side by side at that time. Political economy should teach man to respect all work and to strive to ensure that the common good of society consists of the hard work of every member of society.

Vernadskaia Maria Nikolaevna (1832-1860)

- Maria Vernadskaia-Shigaeva came from a noble family. Her father, Nikolai Shigaev, was the first translator of Walter Scott's *The Betrothed* into Russian.
- She received a high-quality home education.
- In 1850, at the age of 18, she married economist **Ivan Vernadsky**, a professor of political economy.
- In 1857, she and her husband founded the **weekly magazine "Economic Indicator"** (*Ekonomicheskyy Ukazatel*).
- She wrote anonymously on **women's labor, agriculture, and economic freedom**.
- She suffered from tuberculosis and passed away on October 24, 1860, in Heidelberg, Germany, at the age of 28. She was later buried in Saint Petersburg.



«Цѣль образованія — сдѣлать людей по возможности умнѣе и добрѣе, а слѣдственно и счастливѣе. Достигнуть этого всего скорѣе можно, убѣдивъ людей, что въ добромъ поступкѣ ихъ выгода; а довести до этого убѣжденія можно съ помощію глубокаго изученія политической экономіи».

"The purpose of education is to make people intelligent and kind, and therefore happier. The fastest way to achieve this is by convincing people that good deeds benefit them. This can be done through a deep study of political economy".

«Даже значительный капиталъ не избавляетъ своего владѣльца отъ необходимости труда. Мы не говоримъ уже о томъ нравственномъ обязательствѣ, которое лежитъ на каждомъ капиталистѣ, и по которому онъ долженъ приносить свою долю пользы человечеству, въ возмездіе за весь тотъ трудъ предыдущихъ поколѣній, которымъ онъ пользуется».

"Even considerable capital does not exempt its owner from the need to work. Moreover, he must not forget the moral obligation which rests on every capitalist, and by which he must bring his share of benefit to humanity, in recompense for all the labour of previous generations which he enjoys".

Цитаты из работы Вернадской-Шигаевой М. Н. «Политическая экономия, как начало нравственного воспитания»

Quotes from Vernadskaiia-Shigayeva's work "Political Economy as the Beginning of Moral Education"

«Человѣка благороднаго никогда не должно оставлять убѣжденіе, что онъ постоянно пользуется трудами другихъ; онъ долженъ постоянно помнить, что для него безпрестанно работаетъ множество людей; и эти мысли необходимо разовьютъ въ немъ сознание своего долга, необходимость отплатить за трудъ трудомъ, тѣмъ болѣе, что въ сознаниіи и исполненіи этого долга заключается и наша личная выгода: что хорошо для всѣхъ, то хорошо и для каждаго, что дурно для всего человѣчества, то дурно и для частнаго лица».

Quotes from Vernadskaja-Shigayeva's work
"Political Economy as the Beginning of Moral
Education"

Цитаты из работы Вернадской-Шигаевой М. Н.
«Политическая экономия, как начало нравственного
воспитания»

"A noble man should never be left with the conviction that he is constantly profiting by the labours of others; he should always remember that a multitude of people are constantly working for him; and these thoughts must develop in him a consciousness of his duty, the necessity of repaying labour with labour, especially as in the consciousness and fulfilment of this duty lies also our personal benefit: what is good for all is good for all, what is bad for all mankind is bad for the private individual".

The state and political economy

In addition to the dogmatic function of science, it is impossible not to discuss its "justifying" function, using political economy as an example. We know that science, in its positivist version, sought to learn certain laws according to which everything in the world works. Political economy, too, as a science, had to acquire certain economic laws according to which society functions. Thus, when political economy really became a science, its laws were able to justify this or that state policy, because this state policy was not a mere whim of the state, but the result of the action of natural laws.

Sergei Yulyevich Witte (1849-1915)



- Leading the industrialization of Russia, actively developing heavy industry, railways, coal, and metallurgy.
- Introducing the gold standard for the ruble (1897), which strengthened Russia's financial system.
- As Minister of Railways, overseeing the construction of the Trans-Siberian Railway, connecting European Russia with Siberia and the Far East.
- Raising customs duties to protect Russian industry from Western competition, pursuing an active protectionist economic policy.
- As a diplomat, negotiating the Treaty of Portsmouth, which ended the war with Japan while minimizing Russia's territorial losses.
- After the 1905 Revolution, insisting on the signing of the October 17 Manifesto, which established the State Duma and limited autocracy in Russia.
- He was an incredibly talented statesman, but, as often happens, Tsar Nicholas II soon removed him from office, preventing him from realizing many of his ideas.

«Мы, русские, в области политической экономии, конечно, шли на буксире Запада, а потому при царствовавшем в России в последние десятилетия беспочвенном космополитизме нет ничего удивительного, что у нас значение законов политической экономии и житейское их понимание приняли самое нелепое направление. Наши экономисты возымели мысль кроить экономическую жизнь Российской империи по рецептам космополитической экономии. Результаты этой кройки на лицо. Отдельным голосам, восстававшим против такого сумасбродства, наши проповедники, облекшись в тогу попугайской учености, возражали теоремами из учебников политической экономии. Несомненно, что такой способ доказательства в глазах толпы имел и имеет значительную убедительность. Толпа верит и не может не верить в теоремы учебников политической экономии по их букве, а не разуму. Подобного рода возражения продолжают сыпаться ежедневно, а потому едва ли не полезно пролить некоторый свет на значение этих возражений. Источником такого света служит знаменитое сочинение Фридриха Листа «Национальная система политической экономии».

“We, Russians, in the field of political economy, of course, went in tow of the West, and therefore with the reigning in Russia in recent decades groundless cosmopolitanism, it is not surprising that we have the meaning of the laws of political economy and everyday understanding of them took the most ridiculous direction. Our economists had the idea of cutting the economic life of the Russian Empire according to the recipes of the cosmopolitan economy. The results of this cut can be seen. Our preachers, dressed in the toga of parrot-like scholarship, objected to the individual voices that rebelled against such folly with theorems from the textbooks of political economy. There is no doubt that this mode of proof had and has considerable persuasive power in the eyes of the crowd. The crowd believes, and cannot but believe, in the theorems of the textbooks of political economy by their letter, not by their reason. Objections of this kind continue to be made every day, and it is therefore hardly unhelpful to throw some light on the meaning of these objections. The source of such light is Friedrich List's famous work, *The National System of Political Economy*”.

S. Yu. Witte “National Economy and Friedrich List” (1889)

«Творцы классической политической экономии, если не всецело, то преимущественно, в своих логических построениях имели в виду не нацию, а человечество. Они создали науку, которую было бы правильнее назвать не политической (общественной), а космополитической экономией. Их последователи упустили из виду это обстоятельство, а потому начали проповедовать космополитические экономические аксиомы, как непреложные законы для национального общежития. Между тем факты и сама жизнь во многих случаях шли в разрез с этими законами. Вследствие этого явилось, с одной стороны, сомнение в праве на существование политэкономии как науки, а с другой отрицание всех тех национальных потребностей, которые не согласуются с принципами творцов политической экономии».

“The creators of classical political economy did not have the nation in mind in their logical constructions. They created a science that would more correctly be called not political (social) but cosmopolitan economy. Their followers overlooked this fact and therefore began to preach cosmopolitan economic axioms as immutable laws for national life. Meanwhile, facts and life itself often contradicted these laws. The result was, on the one hand, a doubt about the right to exist of political economy as a science and, on the other hand, a denial of all those national needs that did not conform to the principles of the creators of political economy”.

**С. Ю. Витте «Национальная экономия и Фридрих Лист»
S. Yu. Witte “National Economy and Friedrich List” (1889)**

«Для того чтобы жизнь страны могла регулироваться принципами космополитической экономики, принципы эти должны, прежде всего, получить видоизменение, соответствующее наличным национальным условиям, точно так, как формулы аналитической механики для применения к жизни преобразуются в формулы практической механики, принимающей во внимание физические условия нашей планеты».

“In order for the life of a country to be governed by the principles of cosmopolitan economy, these principles must first be modified to suit the national conditions, just as the formulae of analytical mechanics are transformed into the formulae of practical mechanics, taking into account the physical conditions of our planet, for application to life”.

«Если бы умственная жизнь настоящего столетия не была под самым сильным влиянием космополитизма, то несомненно, что параллельно развитию политической экономики развилась бы прикладная часть этой науки — национальная экономика. Но космополитическая абберация не только не дала возможности приобрести этой прикладной науке права гражданства во всех государствах, но, кроме того, установила разномыслие в житейском понимании принципов политэкономии».

“If the intellectual life of the present century had not been under the strongest influence of cosmopolitanism, it is certain that the applied part of this science, national economy, would have developed in parallel with the development of political economy. But the cosmopolitan aberration has not only prevented this applied science from acquiring the rights of citizenship in all states, but has also created a diversity of opinion in the secular understanding of the principles of political economy”.

С. Ю. Витте «Национальная экономика и Фридрих Лист»
S. Yu. Witte “National Economy and Friedrich List” (1889)

Political Economy and nationalism

Political economy was to help realise a «special» national way of economic development of Russia.

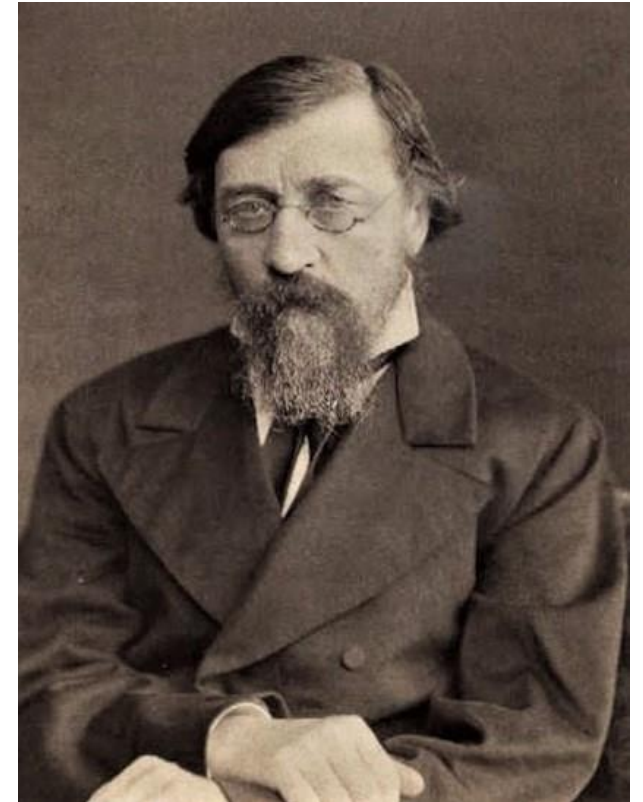
Nikolai Gavrilovich Chernyshevsky (1828–1889)

- Philosopher, writer, publicist, and revolutionary democrat.
- Key thinker influencing social and economic theory in Russia.
- The author of “What Is to Be Done?”

From the essay "Economic Activity and Legislation" (1857):

“Does commune property* (общинная собственность) lead to the end it is intended to achieve, or does it produce effects contrary to its purpose? It purports to achieve two results: A) to maintain the participation of the great majority of the nation in the ownership of real estate; B) to maintain, as far as possible, an equal distribution of the portion of real estate subject to it among the persons participating in it. Whether these objectives are good is not the question; the only question is whether they are being achieved”.

*The commune (mir) was the foundation of the social structure and united the majority of Russian peasants. The state regarded the commune primarily as a fiscal institution that ensured the payment of taxes and fulfilment of duties on the basis of the principle of circular trust.



Boris Nikolaevich Chicherin (1828–1904)



- Russian philosopher, historian, and jurist.
- Advocate of liberal conservatism, combining strong state authority with gradual reforms.
- Opposed both autocracy and radical revolution, believing in a constitutional monarchy.
- Supported private property and free markets, believing they were essential for Russia's modernization.
- Advocated for gradual economic liberalization, rather than abrupt socialist policies.
- Believed that state intervention was necessary in early industrialization, but should decrease as market institutions developed.

«Ни одна наука не находится в настоящее время в столь шатком положении, как **политическая экономия**».

С. Ю. Витте. «Национальная экономия и Фридрих Лист», 1889

«No science is currently in such a precarious position as **political economy**»

Sergei Witte. "National Economy and Friedrich List," 1889

Thank you for your attention!