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ON THE WAY TO A NEW POLITICAL ECONOMY IN THE CONTEXT OF GLOBAL TRANSFORMATION

Abstract: the article is devoted to the analysis of the fundamental concepts of modern economics, which come into conflict with their new vision in the context of global transformation. In this regard, the concept of “homo economicus”, the principle of methodological individualism, new cultural values of civilization are considered. In the conditions of the influence of conservative traditional values on the economic behavior of business entities, the model of a solidary economy is considered as corresponding to the peculiarities of the regions of Russia. The digitalization of the economy and the increasing role of institutional factors are considered as factors influencing a new approach to the definition of the subject of modern political economy.

Keywords: digitalization of the economy, new political economy, conservative and traditional values, solidary economy.

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在国际转型形势下走向新的政治经济模式

摘要: 作者分析了现代经济学的一些基本观点, 这些观点与世界转型形势下的新观点相矛盾。为揭示这一问题, 作者探讨了“经济人”观点、个人主义方法论原则、文明的新文化价值观。文章阐述到: 在传统保守价值观对经济主体的经济行为发挥影响作用的条件下, 联合经济模式是符合俄罗斯各地区特点的经济模式。文章还讨论了经济数字化和作用正在增强的体制影响着关于当今政治经济学研究对象的新观点。

关键词: 经济数字化、新的政治经济、传统保守价值、联合经济。

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In the context of global transformation and aggravation of contradictions between different civilizations, there is an objective need to rethink the existing theories, concepts, convictions, to identify the distinctive features of the Russian economic system and build a new political and economic concept corresponding to it.

Let us examine some of the fundamental concepts of modern economic science and the debatable issues of a new vision of the subject of political economy.

Current Western market economic systems relied on the concept of “economic man” (“homo economicus”), the principles of methodological individualism, profit maximization, etc. in their development. The economic model of “homo economicus” considers a person as a rationalizing individual aiming all its efforts at maximizing profits (benefits) on a fully informed basis and pursuing exclusively its own egoistic purposes. However, institutional economic theory focuses on the need to take into account non-economic factors and irrational motives in the economic behavior of business entities. “It is essential to take into account the manifestations of irrationality and non-market motivation associated with circumstances of a moral order, people’s expectations, their trust, feelings, and others, the effect of which does not correspond to the lack of these phenomena in explanatory economic models” [Manakhova, 2022, p. 253].

The modern theory of behavioral economics, while criticizing the “homo economicus” model, explores the motives for making counterproductive decisions by business entities; the target function of maximizing the utility of economic agents is questioned. Proponents of behavioral economics believe that in real life utility maximization is unattainable due to limited human cognitive abilities. People are gullible and careless, they act on the spur of the moment and are limited by time, they do not know how to weigh their own capabilities and are subject to information overload, etc. – all this determines non-market motives in economic behavior.

In their studies of the impact of human nature on the economy, well-known scholars J. Akerlof and R. Schiller associated irrationality with such psychological forms of manifestation as trust, justice, abuse, narratives, and money illusions [Akerlof, Shiller, 2009]. The researchers emphasize that the sense of justice is one of the important factors in the functioning of a market economy, where this feeling disappears, the nature of the irrational framework changes. This aspect is important for developing economic systems.

The principle of methodological individualism is another methodological basis of Western economic theory, which is implemented in conjunction with such basic mainstream postulates as the rational-choice model and the maximization principle. At the same time, “individualistic values are opposite to the collectivist values characteristic of a traditional society. Although in most current theories of modernization it is considered that individualism is the criterion of a modernized society, however, in recent decades we have seen a development leap of a number of Eastern societies (China, Hong Kong, Korea, etc.), where collectivist principles continue to dominate the economic behavior of business entities” [Askerov, 2018, p. 66].

Recourse of the new political economy to the principles of methodological holism is quite understandable in the context of changing attitudes towards modern mainstream in domestic economic science.

Another aspect related to new trends in political economy is the intensifying contradiction between the logic of capital development and the cultural values of civilization. In this regard, it

should be noted that the publication of the Decree of the President of Russia on the strengthening of traditional values in Russia is not accidental.¹

At the same time, on the one hand, as Karl Polanyi said, “until our own time markets were never more than accessories of economic life” [Polanyi, 2002, p. 82]. Otherwise, the market organization of the economy is not the only and most efficient economic mechanism, and the fundamental concepts of the liberal economic theory of “limited resources” and “unlimited wants”, which form the basis of a market economy, have limited research and methodological potential [Askerov, 2015, p. 152].

Business entities face a number of non-market factors in their practical activities. The territory of the Russian Federation is inhabited by dozens of different indigenous peoples with their inherent non-market – unique national, spiritual and moral features. Thus, only in the Republic of Dagestan more than thirty indigenous peoples with specific cultural characteristics live together.

At the same time, traditional and religious values observed in the Russian regions come into conflict with neoliberal values of the capitalist economic system, where the motives of profit maximization and “unconscious resource growth” dominate. Under these conditions, the solidarity economy aims to focus not on profit maximization, but on the well-being of the human community through achieving harmony with the environment, the model of which will be examined below.

In the modern context, there is a breakdown of the existing system of world economic relations, a global institutional transformation and the formation of a new model of economic relations. External manifestations of transformation may seem to include the intensifying confrontation between the old core and the new centers of global development, the role of one of which is claimed primarily by the Chinese-Russian Union [Mierin, 2022, p. 23]. However, a deeper analysis of the ongoing processes makes it possible to identify true cause-and-effect relationships due to changes in the system of institutional and economic relations, the formation and development of the global digital network economy.

An alternative to the capitalist system of economic relations can be other ways of organizing the economy, such as, for example, social and solidarity economy. The use of the solidarity economy model can help preserve the territorial integrity and interethnic concord in Russia, strengthen its positions and role in the world arena, Eurasian integration and a new round of socio-economic development of all its regions. In addition, according to N.Y. Danilevsky and his supporters, Russia is not a “European” country either geographically or culturally and historically, but is something original. The multifaceted Russia is characterized by the widest institutional-social and moral-ethical potential. In particular, the mechanism of interrelations and interactions between ethics and economics (the use of a system of trusting relationships, mutual assistance, cooperation, etc. in the economy) can significantly improve the political and social climate at the macro-economic national level.

These aspects are elaborated in the theory of behavioral economics, whose representatives have identified new patterns, for example, systematic, repetitive deviations in the behavior of real people from the behavior of rational economic agents (economic man) described by the theory of “economics”. Value system, goals, wants, interests, motives are attributive characteristics of peo-

¹ On the approval of Fundamentals of State Policy for the Preservation and Strengthening of Traditional Russian Spiritual and Moral Values (2022): Decree of the President of the Russian Federation No. 809. URL: <http://publication.pravo.gov.ru/Document/View/0001202211090019> (Accessed: March 24, 2023).

ple that affect their actual economic behavior, their innovative, production and consumer activity [Dyatlov, Ananyev, 2015, p. 63].

The changing reality in modern context requires a change in the methodology of cognition with a clear increase in interdisciplinarity and the applied use of empirical research to adjust the models of economic behavior of market agents, bringing them closer to reality [Manakhova, 2022, p. 250]. For example, in the multi-ethnic North Caucasus region, the system of institutional and economic relations is associated with moral and ethical potential. However, this aspect has not yet found sufficient reflection in Russian scientific and social ideas. The interrelation and interaction of ethics and economy in this region (trusting relationships, traditional motives, mutual assistance, etc.) have a significant potential that can change the political and social climate at the macroeconomic, national, all-Russian level.

Conservative traditional values dominate in this region: respect for elders, joint and solidary involvement in public, collective work, etc. In the mountainous territories, ethnic societies have survived as structurally related systems, and not as multitudes consisting of atomized units. Of particular importance are such aspects of economic relations as interpersonal dealings, social capital, trust, cooperative and collective activities. A prominent place in the system of social relations is occupied by informal rules and informal institutions characteristic of the specific economy of the entire North Caucasus region. The dominant positions are occupied by the agricultural sector and the informal economy; community initiatives and community development funds are well-developed, where profit maximization is not the principal motive, and they interact on the basis of equality of their participants, solidarity between members and economic independence. Models and principles of the actors of the solidarity economy, typical for the North Caucasus region, can be formalized and transformed for use in the all-Russian space.

Given these aspects, in the context of global changes taking place in recent years, it is necessary to “develop a new paradigm of international cooperation and form a broader view of what is happening, and political economists will have to comprehend these processes and build a new political and economic picture of the world” [Mierin, 2022, p. 25].

In domestic economic science, there is an intensification of developments on a new paradigm of political and economic education. The leading position in this matter is occupied by representatives of the St. Petersburg school, who propose to single out a Eurasian political economy as a separate area. One of its representatives defines the subject of the Eurasian political economy as “institutional and economic relations regarding the production, distribution, exchange and consumption of material and non-material benefits, patterns and mechanisms for the integration and functioning of the institutions of the Eurasian Union in the context of transformational transition from an industrial-market economy to a digital network economy” [Dyatlov, 2015, p. 11], which we find hard to disagree with. Therefore, during the transformation period, in the structure of the new political economy, the concepts of “homo economicus” and “rational choice” will have to be supplemented with non-material, social, traditional factors and behavioral patterns of business entities. The result of this new approach may be changes in the theories of money, value, ownership, capital, etc.

It should be noted that the new nature, the new subject of political economy, is due to the new quality, the new content of the factors of production. So, if we look into the history of economic thought, during the period of traditional political economy, as is known, land, labor and capital were determined as factors of production. K. Marx, in turn, singled out personal and material

factors of production. In particular, the material factor of production included land and capital, and the personal factor included labor. Neoclassicist A. Marshall singled out “entrepreneurship” from the latter as a separate factor in the organization of production and its management. Later, against the background of scientific and technological progress, representatives of institutionalism singled out another new factor of production – information, the peculiarity of which, unlike other factors, is its limitlessness.

Modern “economics” is based on the assumption of limited resources, factors of production. We observe a contradiction in the so-called fundamental fact of economic theory about the “limited resources”, since innovations, as an integral component of the “entrepreneurship” factor and the result of human intellectual activity, are unlimited.

Information, in turn, is also a product of the entrepreneur’s innovative, intellectual abilities. In general, the information and innovation factor are an integral part of the personal factor (as defined by K. Marx), which includes both physical and mental labor. Innovation and information together are the result of mental labor. Since at the present stage innovation and information are presented mainly in the form of a digital product, I believe that they should be combined into a single factor of production under the common name “digital”. Digital economy, digital ruble, digitalization are all the results of intellectual production, human intellectual activity, and digital transformation is a key element in the global transformation taking place today.

Global transformation, in turn, is associated with two major political and economic processes: a) growing confrontation between Western and Eastern civilizations and reorientation of Russian economic thought and economic activity towards the East; b) surging digitalization of economic processes. Both of these factors affect not only the contents of the science of political economy, but also its subject matter.

Reorientation to the East with its dominant conservative traditional values necessitates a scholarly understanding of the new system of political-economic and business ties and relations. It would seem that the first factor has the most significant impact on global transformation processes. However, the observed large-scale and intensifying digitalization of the economy and, accordingly, economic relations allow us to conclude that digitalization is the fundamental basis for global transformation in modern times.

This is affected by the nature of the new “basic economic unit” of society [Hessin, 2017, p. 115]. Under the conditions of commodity production and the capitalist system of relations, the commodity acted in this capacity (according to K. Marx). Today, it is necessary to find a new basis, a common denominator for such phenomena as innovation, information and digitalization, otherwise, to find a new “basic economic unit” of society. It seems that in the context of digital economy, the digital product will act as the latter. Digital product is a consequence of the functioning of the knowledge-driven economy, the data economy. The new basic economic unit of society could be called the brief concept of “digital”. Against the background of modern information boom, the “digital” begins to act as a mathematical tool of producing bitcoins, cryptocurrencies, and the digital ruble. It also underlies the production of software products that transform the system of economic relations in any area of human activity. “Digital” enters space, households, medicine, education science, human psychology, social relations, i.e., the entire range of social relations.

In view of the aforesaid, due to the paramount importance of the information resource in the modern system of economic relations, the subject of a new (modern) political economy can be formulated as a system of institutional and economic relations in the context of transformation

of the industrial economy into a digital one. What is new in modern political economy is to take into account the “digital” factor in the system of economic relations between entities.

In conclusion, it must be admitted that, from a historical perspective, the factors of information and digitalization as subject areas of political economy require much more attention from researchers.

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