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## STATE PATERNALISM AND THE THEORY OF NOONOMY<sup>1</sup>

**Abstract:** The article is dedicated to the problem of state management of the economy based on scientific knowledge. Special attention is paid to the new economic theory - noonomy, its role and significance at the current level of societal development. A comparative analysis is carried out on the scientific concept of “liberalism”, as well as the role and significance of the liberal approach at different stages of capitalism development. The article assesses the impact of this approach in terms of the implementation of economic reforms in Russia in the 1990s. The author expresses regret about the popularity of the theory of Western liberal economists in the Russian scientific community, criticizes the commitment of some scientists to spontaneous economic development while emphasizing the special significance of scientific knowledge. It is noted that at present in developed Western countries there is a transition to a “knowledge society”, market mechanisms are losing their significance, the provisions of a new socio-economic science are being developed based on the augmentation of social utility of the results of activities, in particular time saving. Special attention is paid to the development of a tool system for managing society and the economy, with an emphasis on aspects of national economic planning. The benefits of planning methods in solving problems of both increasing economic efficiency and achieving social justice are given on the example of the analysis of Soviet planning experience. The author comes to the conclusion that spontaneous economic development will be replaced by a scientifically based knowledge-intensive approach as Western economic theory based on the liberal concept is becoming obsolete and is losing its significance. National economic planning is at the forefront, as it is an important tool of noonomy, which will allow combining market principles and planned regulation.

**Keywords:** knowledge society, people’s state planning, new scientific knowledge, noonomy, social utility, market, simulative wants, digital economy, economic liberalism.

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## 国家家长制与智慧经济

**摘要:**本文探讨了国家经济的科学管理问题。重点阐述了智慧经济这一新理论,及其在当前社会发展水平条件下的作用和意义。从“自由主义”的科学角度对比分析了资本主义不同发展阶段自由主义观念的作用和意义。对自由主义观念对20世纪90年代俄罗斯经济改革的影响进行了评价。作者表达了对西方自由主义经济学家的理论在俄罗斯科学界流行这一现象的看法,批评了一些学者推崇的经济自然发展观,说明了科学知识的特殊意义。作者指出,当前西方发达国际正在向“知识社会”过度,市场机制已失去原有作用,正在探究新的社会经济科学原则,这些原则的基础是注重活动结果的社会效益,其中包括节约时间这样的指标。文章着重讨论了社会和经济管理工具体系发展的问题,核心放在了国民经济计划方面。文章以苏联时期经济计划为例,阐述了计划方法在提高经济效益和维护社会公平方面的作用。作者得出结论,自发的经济发展方式将被科学方式——知识方式——所取代,这是因为以自由主义观念为基础的西方经济理论已经过时和不适用了。国民经济计划这一智慧经济的关键工具正在成为重要发展手段,这个工具能够把市场原则与计划调控结合起来。

**关键词:**信息社会、国民经济计划、新科学知识、智慧经济、社会效益、市场、虚假需求、数字经济、经济自由主义。

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### Introduction

Noonomy is a new and very important direction in modern economic theory. The most important sense of Noonomy is the need for conscious management of the economy based on scientific knowledge. After all, economic development cannot be left to its own devices, as liberal economists suggest. If humanity has learned to consciously manage complex technical systems, then the economy should also be consciously managed. The economy, generally speaking, is a way of satisfying social needs. High technology and the new industrialisation are the result of scientific knowledge, which is not only the basis of the modern economy, but also determines the near future of all humanity. Science and scientific knowledge are already a leading factor in social production. Therefore, we can speak of the transition to a new form of satisfaction of social needs, i.e. a new economy based on the primacy of scientific knowledge, or Noonomy, as S.D. Bodrunov writes [Bodrunov, 2018, p. 167]. In other words, the economy should develop not as it must, i.e. where the market curve takes it, but purposefully in the interest of the most people. To this end, it is necessary to infuse the economy with new technologies, new knowledge and a new understanding of the laws of social, including economic, development. S.D. Bodrunov has been developing these ideas for a relatively long time, which is reflected in his earlier publications. [Bodrunov, 2013; 2016, etc.].

The term "Noonomy" is quite expressive and generally inspired by V.I. Vernadsky's theory. As we know, in V.I. Vernadsky's theory of the noosphere, "noo" is an intelligent human activity that is currently the leading factor in the development of humanity's natural environment. In fact, people have been living in an invented, artificial physical and technical world for a long

time. Housing, transportation, communications, even clothing - all invented by the human mind, and much of it based on scientific knowledge. Today's human civilisation is indeed an "scientific" society, a society of knowledge. But if mankind has invented and artificially created a technical environment, then the social environment, including the economic environment, should not be shaped as it must be, but on the basis of reason and scientific knowledge.

Today, human civilisation is exposed to many threats caused by a poorly controlled development of the technosphere, the destruction of the natural environment (e.g. global warming) and interventions in human nature itself (e.g. the pandemic COVID -19), as well as by the uneven development of different countries and the social conflicts caused by it. For this reason, S.D. Bodrunov writes about the impasse of the modern model of economic development: "A sense of profound change is in the air. Humanity is facing threats emanating from the uncontrolled development of the technosphere, the destruction of the natural environment, the encroachment of human nature itself, the unequal development of countries and peoples and the resulting social conflicts" – and further: "We have finally reached the limits of the effectiveness of the existing development model." [Bodrunov, 2018, pp. 13, 56]. And this is absolutely true. This thesis can be found in many authors. For example, Cambridge University professor E. Gamble writes in his book with the significant title "Crisis without end? The Collapse of Western Prosperity" writes: "There is no end in sight to the deep crisis of the neoliberal order, of which the 2008 collapse was the shining sign. We are only witnessing an early stage of that crisis." [Gamble, 2018, p. 15].

From this we can conclude that humanity has reached a certain limit at the current stage of its development. And the dilemma arises as to what awaits humanity in the future: a dead end or the path to "rational man and society"? It is clear that humanity simply has no choice. Either to perish or to develop in a fundamentally different direction – towards a reasonable society that will not arise spontaneously, as the neoliberals endlessly tell us, i.e. "as it should be", but on the basis of scientific knowledge. "Noonomy", then, is a fundamentally new category of economic development that marks the need for a transition to a rational existence for humanity and, above all, for the economy itself. Or as S.D. Bodrunov writes: "Noonomy prioritises not the private pursuit of profit or other income achieved through a chaotic play of market forces, but the rational pursuit of the satisfaction of certain needs that are judged to be reasonable" [Bodrunov, 2021, p. 47].

### **Neoliberal economists and the market economy**

There was once a time when "liberalism" was a progressive and promising scientific concept. And not only a concept, but also a social and political practise. But that was a long time ago, at the beginning of the rise of capitalism. Today, the world has changed considerably. There are new technologies, new ways of technology, new economic and social relations. Today, the social development of the world is facing many serious crises from which there is no way out on the basis of the primitive liberal economic model and what liberal economists of the Austrian school usually call "spontaneous economic development". This liberal approach to economic regulation may once have been justified in the early days of capitalism. In today's world, the old liberal economic concept, which still serves as an icon for some Western-oriented economists and under whose banner economic reforms were carried out in Russia in the 1990s, is no longer good for anything. It is well known that these liberal reforms have wreaked havoc on the Russian economy, ruined our industry, reduced the material well-being of the majority of the population and greatly in-

creased people's economic inequality. The negative consequences of these liberal reforms can be enumerated at length, but suffice it to mention one fact.

At USSR all people were more or less equal, economic inequality was minimal. In 1992, the Gini coefficient was at the level of the Scandinavian countries, typical of a social economy, and was 0.28. Today, in Russia, it is 0.41. Liberals, on the other hand, do not like equality. They believe that there should be no equality because, in their opinion, it does not stimulate productivity growth. Thus, L. Mises writes: "It is only because of the inequality of wealth that is possible under the conditions of our social order, only because of the fact that it encourages everyone to produce as much as possible at the lowest cost, that mankind today has the total volume of annual wealth that can be used for consumption." [Mises, 2000, p. 788]. According to the liberal approach, inequality contributes to the growth of savings and, consequently, to investment in the development of the economy. Today, inequality in Russia exceeds all reasonable limits. In 2021, the share of the richest 1% of Russians in the country's wealth will be 58.2%. This means that more than half of the country's wealth belongs to just a handful of people who make up only 1% of the population. In most major European countries, the wealth concentration of 1% of the population does not exceed 30%. So inequality in Russia today is beyond imagination, while there has been no investment. In the last 20 years (from 2000 to 2020) investments in the country have decreased by 20% [Anisimova, 2022, p. 37]. This means that the liberal economic approach to this issue is not working.

Unfortunately, the theories of Western liberal economists are still popular at some Russian universities. Thus, some transoceanic economists, who probably have a poor understanding of the nature of modern economic problems, continue to insist that there is no alternative to spontaneous, i.e. chaotic, economic development. For example, Nobel Laureate economist F. Hayek writes: "The spontaneous cooperation of free men often creates things greater than their individual minds can ever fully comprehend" [Hayek, 2011, p. 10]. However, this economist does not explain whether the "spontaneous cooperation of free men" can produce an electric light bulb, a car, a computer or an aeroplane. All these and many other things do not arise spontaneously from the chaos of economic life based on normal market competition. And this raises the more general question: If the economy can grow successfully without any reasonable government regulation, why do we need economics?

If we believe Hayek that spontaneous, i.e. unregulated, economic development is a very good thing, the question of the existence of economic science arises. If there is no need for economic regulation, then there is no need for economic science. But contrary to what the economic liberals say, there is economic science and there is economic regulation by the state. There is deliberate, centralised control of the economy, which manifests itself in a variety of economic measures: Control of inflation, regulation of interest rates, minimum wages, public investment, a progressive tax rate and much more. In other words, the economy is not supposed to develop as it must, where the market curve takes it, but purposefully – in the interest of society as a whole, i.e. the majority of people. To this end, it is necessary to infuse the economy with new technologies, new knowledge and a new understanding of the laws of social, including economic, development.

So far, economics has done little to normalise economic development. The world economy is still shaken by periodic crises, there is still hunger, economic inequality, unemployment and many dissatisfied people, even in the prosperous European countries. But some achievements of economic science are still there, in particular: The Keynesian tendency that underpins effective

demand, some economic models that provide a deeper understanding of economic development and somehow regulate it, theory and practise of economic planning that enabled the Soviet Union to become the world's second superpower for a short time, etc. Scientific knowledge also permeates the economy, and with the emergence of a new technological mode, new technologies, including digital ones, spontaneous economic development is replaced by a scientifically based, i.e. knowledge-intensive one. S.D. Bodrunov writes: "The first priority, and from now on it will remain there forever! – knowledge in explicit, "pure" form as the main resource of industrial, technological and social development." [Bodrunov, 2018, p. 74].

From this we can conclude that knowledge is not a commodity in the usual sense, lost in the process of consumption, that knowledge-intensive production is not already an 18th or 19th century market economy. Thus, S.D. Bodrunov quite rightly and justifiably opines, "The market economy – the more it progresses, the more it becomes a space in which not so much real consumer values are produced that satisfy real needs, but the world of creating simulated goods that satisfy simulated needs, artificially created by marketing, PR and various kinds of manipulation of consumer consciousness." [Bodrunov, 2018, p. 198]. And this is the truth that we can observe almost every day. The unregulated market economy, which 300 years ago was the engine of social progress, is today becoming its brake.

Of course, for the time being, the market continues to fulfil the function of achieving efficiency in production. The essence of the market mechanism (competition) is the adequacy of individual labour costs for the production of any product of socially necessary value formed in the market. On this basis, all participants in the production process are differentiated into "the best" and "the worst". In practise, this means that the best producers of goods or services can gain maximum advantages and expand their production, while the worst are eventually removed from the economic process. Thank you to competition, the optimal (efficient) distribution of resources takes place. As far as labour is concerned, the market mechanism effectively distributes it among different economic sectors and regions. In a well-functioning labour market, the wages of workers with the same qualification in one sector of the economy should not differ significantly from wages in other sectors of the economy. The market balances the price of supply and demand. All this was so, but yesterday.

Today, however, the possibilities of the market mechanism are considerably limited. The market mechanism was good in the first phase of industrial production, when relatively simple products were produced for mass consumption. Today, everything has become much more complicated. In this context, I. Wallerstein significantly writes: "Since most people are sensible enough and know enough, in the very near future all hopes placed in the "market" as a panacea for all problems will vanish into thin air, leaving only a heavy residue." [Wallerstein, 2003, p. 66]. In the long run, the influence of the market is very insignificant, having little impact on the development of modern complex industries and industrial complexes (nuclear industry, rocket production, space travel, etc.). The extension of the market mechanism to some branches of the so-called "new economy" is quite questionable or illusory. For example, products from sectors such as health care, culture, science and education cannot objectively be the subject of market competition. For example, the production and distribution of linen and boots, classic objects of market self-regulation, are fundamentally different from the production and distribution of university professors or Bolshoi Theatre soloists. More investment in the Bolshoi Theatre will not produce more talented soloists. And the Bolshoi Theatre probably competes with the Maly Theatre (they are next to each



other), but this is not competition in the market. Theatres compete with each other for audience sympathy, for popularity, for interest. The monopoly of one theatre is impossible, because unlike a beer company that, having beaten all its competitors, aspires to be a monopolist and drink only its own beer, the Bolshoi Theatre will not turn all other theatres into operas. Moreover, competition in the cultural sphere does not lead to eradicating competition, but to creating a more creative atmosphere, increasing the interest of the audience and ultimately increasing cultural assets.

Cultural and general social values (such as health and life) are thus outside the market. On this subject, S.D. Bodrunov wrote: "We long ago drew attention to the distorted character of the present model of human development. This model attaches excessive importance to the criteria of the market, which is not the only basis for the economy. The market approach is imposed on all spheres of society, all manifestations of this life begin to be measured by a commercial yardstick – the creative spirit of culture and art, the concern for education and upbringing, the struggle for human health, the inquisitiveness of the scientific mind, legal protection, etc." [Bodrunov, 2021] [Bodrunov, 2021, p. 21]. If the market is an objective reality, one cannot seriously believe that people can prohibit or abolish this objective reality at will, that people can impose their moral, ethical or moral preferences (values) on the market. The external parameters of the market can and should be regulated, provided one understands and knows the costs of this regulation.

On the one hand, social values impose themselves on the market and determine the parameters of its functioning. On the other hand, the market itself dictates the possible scope of social values. Therefore, the market is always and everywhere limited and regulated by the state. Otherwise, it can lead to absurd and simply anti-human consequences if it is governed only by economic efficiency. This has been written about many times in the academic literature. Here is one of those statements: "The idea of a self-regulating market is based on the truest utopia".

Such an institution could not have survived long without destroying the human and natural substance of society; it would have physically destroyed man and turned his environment into a desert" [Polanyi, 2002, pp. 13-14]. Humanity has seen this for itself in the example of the recent pandemic.

With the increase of wealth and the development of the economy, the scope and importance of all kinds of social values also increases, while at the same time the importance of the purely economic moment decreases, leading to an increase in the economic regulation of the market by the state. State paternalism is increasing. Already at the beginning of the twentieth century, the great Russian economist M.I. Tugan-Baranovsky formulated this position thus: "The participation of economic labour in the totality of social activities decreases in the course of history. The increase in labour productivity is undermining the social supremacy of the economy, and non-economic activity is becoming more and more important as the driving force of history." [Tugan-Baranovsky, 2003, p. 85]. This means that the importance of human activity is increasing, with social (cultural, scientific, educational, humanitarian, etc.) development goals at the centre, rather than economic efficiency. The role of conscious, meaningful regulation of the socio-economic process is thus increasing, accelerating the transition to Noonomy.

But in the modern world, the imposition of the neoliberal economic concept as the universal means for the development of the economy continues, and in our Russian universities this clearly outdated concept continues to be taught intensively. One gets the impression that the neoliberal economic approach to regulating economic development is being artificially imposed by the US on other countries that the US government wants to make its colonies. We saw and felt this clearly

in our own country in the 1990s. In the US, the government controls everything. The growing influence of the state on economic development is now almost an accepted fact. Even American liberal-conservatives, who are afraid of new modern opinions, have to agree. Thus, writes the American liberal R. Higgs: "The end of the nineteenth century and the entire twentieth century were a period of unprecedented growth in state power, in the resources at its disposal, and in the extent of its intervention in the economic and private lives of citizens." [Higgs, 2016, p. 9]). He continues, "Even a simple list of the state's many powers would fill several volumes, for its influence affects everything: farms, factories and shops, housing, schools and hospitals, science and technology, and even leisure and entertainment." [ibid, p. 24]). Or here is the observation of another American economist, C. Wilan: "The US Department of Agriculture now requires that every frozen pizza contain at least 10 per cent meat. [Whelan, 2005, p. 309]). This statement is very relevant. It turns out that while the US pays lip service to "liberal market economics", in reality – the prevalence of government regulation, including planning. As long as 50 years ago, J.K. Galbraith wrote: "Our economic system, no matter under what formal ideological label it hides, is in its essential part a planned economy. (Galbraith, 1969, p. 41). The economy as a spontaneous chaos of unintended actions is a thing of the past. This is already evident in the most developed Western countries, where it is not the market but the state that regulates the amount of meat in frozen pizzas, the number of chickens in households and so on. This is an objective and inevitable process.

So we may well agree with the clever American thinker (and there are clever scientists in the USA!) I. Wallerstein that "liberalism as an effective political project is past its prime and is now dying under the conditions of the structural crisis of the capitalist world economy". (Wallerstein, 2003, p. 91)

Russian thinkers understood all this a relatively long time ago. G.V. Plekhanov pointed out the obsolescence of the liberal conception as early as the end of the nineteenth century: "For the economists of the backward school... the charming motto "non-interference of the state" serves as a talisman." [Plekhanov, 1956, p. 301]. Note in parentheses that the ideas of these "backward economists" are often passed off as modern economic thought in our universities today. And our liberals repeat them tirelessly. For example, what Gaidar wrote: "The state must... guarantee the inviolability of private property, separate property and power, and cease to be the dominant owner, the subject of economic relations in the country." [Gaidar, 1995. p. 189]. This position is 200 years out of date, and those who reproduce it today understand nothing of modern economics, except the subsidies of the US government.

### **New economy**

Today, as developed Western countries are on their way to becoming "knowledge societies", large areas of human activity are being removed from regulation by the market (e.g. education). The view that market mechanisms no longer work in areas of human activity where creative labour predominates (science, education, culture) has long been successfully argued in the new socio-economic science. Here, economics is not only reduced to the market, but encompasses a broad field of human activity in which the economic principle of measuring costs and results continues to have meaning. The costs and results of an activity can be expressed not only in terms of money, but also in terms of time saved, effort expended, greater pleasure and well-being, i.e. increased social utility. Here one can quote K. Marx's visionary statement that "all economy ultimately boils down to the economy of time". (Marx, 1968, p. 117.) It must be said that modern

researchers of the problems of Noonomy are very close to this statement. For example, S.D. Bodrunov writes directly in one of his works, "I have always believed that the most important value for a human being is time." [Bodrunov, 2018, p. 424]. Not profit, but saving time – this is the main point of the new economy, which can be called "Noonomy".

If the market economy, profit, money and other attributes of the economic enslavement of man are a thing of the past, what comes in their place? In their place comes conscious management of society and especially of the economy, based on scientific knowledge to maximise social benefit. Modern human civilisation must become a society of learning, i.e. a society of scientific knowledge. Therefore, both the social development of society and the economy should be fertilised with scientific knowledge. Scientific knowledge also permeates the economy, and with the advent of a new technological mode, new technologies, including digital, spontaneous economic development should be replaced by a scientifically based one.

It is significant that when the market economy loses its positive function, the phantoms of economic theory run rampant. This concerns endless and pointless talk about social capital, intellectual capital of the firm, intellectual property, the economics of happiness, etc., etc. The same is true when talking about the information society, where information is believed to become a special resource that almost replaces material production. Of course, information is needed for the development and improvement of the same material production and the search for a prosperous life. A new kind of material production requires new forms of management and control, and obviously a new understanding of the economy in general.

The traditional economy in its generally accepted understanding is now severely constricted. As has been repeatedly stated, the economy as a spontaneous chaos of unwanted actions is a thing of the past. New technologies are changing the role of the state, and the liberal state of the 19th century is a thing of the past. But there is no renaissance of market relations and no renaissance of private property. And the regulatory role of the state is not decreasing, on the contrary, it is increasing.

Some overseas economists, who do not understand the nature of modern problems of economic development, continue to insist that there is no alternative to spontaneous, i.e. chaotic, economic development. However, this has long been comprehensively answered in the scientific literature. For example, M.I. Tugan-Baranovsky wrote the following words: "The ideal of liberalism has long since lost its effectiveness and no longer arouses enthusiasm in anyone; no one has long since believed that political and civil freedom, however broadly conceived, could alone lead to a successful solution of the social questions of our time and to the general good." [Tugan-Baranovsky, 1996, p. 56]. This was written in 1910, but it seems as if these words were written last night, so well and comprehensively do they reflect our post-Soviet reality after three decades of liberal transformations.

We should acknowledge that Western economic theory, based on the liberal concept, is in some disarray. In this context, A.G. Khudokormov writes: "The modern crisis of the economic theory of the West is likely to be protracted... And the most important thing is that little is being done, both in theory and in practise, to curb the predatory ideology with its slogan "profit at any price'." [Khudokormov, 2012, p. 34]. However, the main reason for the crisis of economic theory is that the economy in the leading Western countries is clearly moving away from pure market regulation. The market no longer plays a dominant role in these societies. Large areas of life in civilised Western countries are being removed from the influence of the market: Education, health care,



science, culture, environment, law and order. All these and many other things are being shifted into the sphere of state regulation. The "invisible hand of the market" is replaced by the conscious activity of the state, which becomes the most important economic actor. The market narrows, and mainstream (mainstream) economic theory continues to be the market, continues to describe rational human behaviour in the market, and continues to put profit maximisation at the centre of its attention. But modern society seeks to maximise not profit but social utility. Therefore, the theory of economic liberalism is obviously an outdated and useless construct today.

### **Planning as an institution of Noonomy**

Noonomy, the conscious management of society and the economy, presupposes the development of a system of instruments for such management. And the central place in such a system should be occupied by economic planning. Planning methods are a good way to pursue policies that are not based on pure economic efficiency. Social and ethical values can be implemented very well with these methods. This often leads politicians not to see social goals as the result of deliberate regulation of the market, but to insert them into the market mechanism itself, believing that the market can create social justice as well as economic efficiency. But these things are different. By the way, during the Soviet period, our country tried to combine economic efficiency and social values. And this was part of the content of state planning. Planned methods were used to try to solve problems not only to increase economic efficiency, but above all to achieve social goals of social development. For example, the so-called planned loss farms were created on USSR to provide jobs for the population in the surplus regions, to produce cheap but necessary products and to develop the military-industrial complex.

So, it is necessary to remember the Soviet experience with planning, because economic planning is the most important instrument of Noonomy. It was the planned system that enabled the Soviet Union to carry out industrialisation in the 1930s, creating a strong industrial base to supply the Red Army with everything it needed (weapons, ammunition, vehicles, etc.). During the Great Patriotic War, the planned system facilitated the clear and organised evacuation of industries from the western and central regions of the country to the Urals and beyond, laying the groundwork for a strengthening of industrial potential that would ensure victory.

The main problem then was the optimal combination of the market with state regulation of the economy, i.e. with national economic planning. The theory of market socialism, developed by many Soviet economists (but by no means by all), replaced the theory of transition, which was dominated by two principles: Plan and Market. This theory has certain objective foundations. Its essence can be reduced to the fact that as production becomes more socialised, pure market relations give way to other, "directly planned" relations. For example, one of the leading Soviet economists at the time wrote on this question: "Direct, non-equivalent economic relations are predominant under socialism, but they are not the only ones; in combination with them as an additional form of economic relations, the indirect, commodity-equivalent form operates, that is, a form of movement of economic relations connected with the commodity-value mediation of this movement. Its content and place are determined by the fact that socialist production is necessarily a special kind of commodity production." [Kronrod, 1966, p. 387]. Moreover, and perhaps most importantly, for the modernisation of economically backward Russia, a very significant role for the state in economic management was objectively inevitable. It was necessary, as they say, to governmentalise the economy. And this governmentalisation was not

someone's mistake or a grimace of Stalinism, but an objectively necessary measure of catching-up development. Many countries in the second stage of economic development have gone through this phase.

And, of course, in this period the mechanism of self-regulation of the market was eclipsed by measures of direct state regulation or supplemented by "direct-planned" regulation.

But there is another aspect to this issue. In my opinion, these two forms of linkage (market and planned) reflect not only the needs of the initial phase of the formation of an industrial system in a backward country, but also the reality of the modern economic world in general and have little to do with socialism or capitalism. To put it in general terms, the Soviet economy after the 1960s was most likely determined to a greater extent by the market, an indirect relationship. And indeed it was. However, all this was masked by the system of economic planning, which was far from perfect and led to a period of "stagnation". And on the contrary, the economically highly developed countries could and did play the greater role of direct connection in the system of regulation than was peculiar to us. Not to digress from the subject, I would like to confirm this thesis with a statement of transatlantic authority that is often forgotten today: "It is not the socialists who are enemies of the market, but the advanced technology, as well as the specialisation of labour and the production process dictated by it and, accordingly, the duration of the production period and the need for capital. Because of these circumstances, the market mechanism begins to fail precisely when there is a need for extremely high reliability, when planning becomes essentially necessary [Galbraith, 1969, p. 71].

Strict state control of the economy and planning of the national economy were the main parameters of the Soviet economic system. It was a mobilisation economy, but otherwise it was impossible to save the country and defeat the enemy in the conditions of fierce confrontation between the two world systems and especially the world war. At the same time, the planned system and centralised administration were the most important prerequisites for the successful development of science and military technology. It can be argued that the most important link between the planned system and industrialisation in the USSR was the establishment and development of modern science, headed by the USSR Academy of Sciences. This is in sharp contrast to the situation in the country today, where the Academy of Sciences has been downgraded to the level of a small sub-department of one of the ministries. Today, the principles of the market prevail in the country, but there is no planning. Therefore, the transition to economics will be long and difficult.

Thus, throughout the twentieth century, the Russian economy was characterised in one way or another by a combination of market principles and planned regulation. This was evidenced by the experience of building the Soviet economy when the USSR had high rates of economic development in the 1920s. However, in the 1970s-1980s, market principles did not prevail in the country and the rate of development slowed down. In the 1990s, the planned beginnings were administratively dismantled and the development of the economy came to a complete halt. So the problem is to find an optimal combination of plan and market for the different stages of the country's development.

The most important achievement of the Soviet period was that Russia developed from a second-rate country into the world's second superpower. Modern industry was created, people generally lived quite well, there was accessible medicine, free education, the housing problem was gradually solved, there was a flowering of Soviet culture, science was successfully developed.

The USSR was quite a respectable and competitive welfare state. Of course, strict state economic guidance and planning suppressed market self-regulation. It was largely a mobilisation economy, but that was justified for certain phases of development. Otherwise, the country could not have survived as a whole and won the war. At the same time, the planned system and centralised administration were the most important prerequisites for the successful development of science and military technology.

When we talk about the planned system, it is impossible not to touch on a very topical issue today – the digitalisation of the economy. Many people, when they talk about digitalisation, mean the technical equipment of the economy and economic management. But if we talk about this process in more detail, we have to realise that the digital economy is nothing other than a planned economy. Russian economists wrote a lot about this as early as the 1920s, when the planning system of the national economy came into being. For example, G.M. Krzhizhanovsky, as chairman of the State plan, wrote that "the idea of control numbers for the State plan was born. In the summer of 1925. The State plan for the first time makes an attempt to draw up an annual economic perspective plan. The "Commission on Control Figures" becomes one of the most important organisations of the Gosplan" [Krzhizhanovsky, 1957, p. 425].

Other Russian economists also wrote about the digital economy in its proper sense. For example, in 1925 V.A. Bazarov, who as the responsible staff member of the USSR State plan compiled the "control figures" for 1925/26, wrote: "The system of control figures and the system of economic measures organically connected with them is a plan of the national economy." [Bazarov, 2014, p. 329]. The opinion of the Nobel laureate in economics, V. Leontiev, on the national economic balance can also be quoted: "What is fundamentally new about this balance, when compared with ordinary economic and statistical surveys such as the American and English censuses, is the attempt to record not only production but also the distribution of the social product by numbers" [Leontiev, 1990, p. 242].

Thus, according to the economists of the 1920s, the digital economy is the planning of the national economy. And planning is the most important institution of the economy. The transition to the system of state planning will thus be the first step towards mastering the Noonomy.

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