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A Muscovite Economic Model

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Abstract

This paper examines a series of institutional changes and reforms of the Russian economy in the course of the 17th century. These changes, it will be argued, were among the most fundamental transformations experienced by Russia during its history and affected virtually the entire population. They can be deemed to have created a new economic paradigm, something dubbed here a "Muscovite economic model," which had long-standing consequences for the development of the economy, many of them felt even today. It will be argued that the longevity of the new institutional setup was amplified by its cultural assimilation. The behavioral responses called forth by the reforms over time congealed into a key element of what, for want of a better expression, might be termed the "Russian way of life." This cultural response was remarkably resistant to subsequent attempts to modify the system.

Late Muscovy was in many ways unique among European countries. It was a very large, sparsely populated country situated on the eastern periphery of Europe and, through the acquisition of Siberia, the northern edge of Asia. It was culturally distinct from much of the rest of the continent and seen as such by contemporary observers who often focused on the perceived brutality and "primitiveness" of Muscovite ways. In economic terms, 17th-century Muscovy closely conformed to a key tenet of W. Kula's definition of feudalism. It was "a socio-economic system which is predominantly agrarian and characterized by a low level of productive forces and of commercialization." It will be argued that, by the time Russian empire emerged in the early 18th century, Russia increasingly met even the second half of Kula's definition as "a corporate system in which the basic unit of production is a large landed estate surrounded by the small plots of peasants who are dependent on the former both economically and juridically, and who have to furnish various services to the lord and submit to his authority."