

No other way Russia's disputed transition

THE TRAGEDY OF RUSSIA'S REFORMS: MARKET BOLSHEVISM AGAINST DEMOCRACY.

By Peter Reddaway and Dmitri Glinski.

CONCLUDING their vast philippic against free-market reforms in Russia, Peter Reddaway and Dmitri Glinski ask, in the words of an early 20th-century poet, Maximilian Voloshin, whether it

*Might be our destiny to live out
Europe's latest dream
So that we can divert it
From its perilous paths?*

Their answer is yes. Russia in the 20th century, they say, has shown the outside world "the dehumanising extremes of two different Utopian visions based on economic determinism and designed for global use." The first was bureaucratic state bolshevism, comprising a command economy and one-party rule; the second is "market bolshevism", which, in their view, has destroyed Russia's industrial base (built at great sacrifice over decades), triggered alarming demographic trends and created a risk of "irreversible criminalisation and privatisation of the Russian state".

This book is the latest, and weightiest, contribution to a burgeoning literature of blame from America. It follows Janine Wedel's "Collision and Collusion" (1998), Stephen Cohen's "Failed Crusade" (2000) and numerous essays, the most powerful of which came in 1999 from Joseph Stiglitz, then chief **economist** of the World Bank, who argued that what the reformers had done was to create "incentives for asset stripping", not for productive capitalism. The outrage of this school over the imposition of a shock therapy perceived as cruelly inappropriate is so pronounced that many of its members have no hesitation in coupling reforms aimed at democratising and marketising Russia as equivalent in their evil effects to the imposition and rule of communism on the Soviet Union.

The volume is a detailed, sometimes day-by-day chronicle, which Mr Glinski's active acquaintance with the democratic movement of the 1980s and 1990s does much to enrich. Part of Mr Reddaway's hatred of what he sees as the rape of Russia is that it has been perpetrated or encouraged by foreign economists who knew nothing of its history, customs and people--he is steeped in all of these--but who had instead had an off-the-shelf, one-size-fits-all, free-market nostrum for its transformation.

There is much, as Mr Stiglitz demonstrated, that can be and is being said by way of criticism of the management, timing and consistency of the reform. Above all--it is a major strand of the critique by Messrs Reddaway and Glinski--the Clinton administration micromanaged its Russian counterpart in an ultimately self-defeating way, dizzy as the former was with the heady effect of pulling strings in the government of a superpower which had been a global adversary for three generations.

But the great flaw of all such criticisms is their lack of engagement with the real nature of the Soviet collapse. The way in which communism ended left the country without an economic system, without a solid base for power and without a civil society. It might in theory have been better to adopt a Chinese model of party-led economic liberalisation. But that chance had gone by 1988 at the latest, as the general secretary of the Communist Party, Mikhail Gorbachev, set about destroying this one network of power.

Again, it might have been better had Russia opted for a hell-for-leather liberalisation after 1991 instead of the muddled and corrupt compromises which in fact transpired. But the power of the various industrial, political and criminal lobbies was too great. Any third alternative, including what Messrs Reddaway and Glinski take to be missed opportunities for a democratically controlled economic transformation, would have had to confront the same intractable fact that the purpose of the old system had comprehensively vanished and with it the collective will for change. That Russia has failed to transform itself into a stable and democratic market economy is already clear. That this failure is dangerous is becoming plainer. That there was another way which the professors knew of and no one else could see is, as the Scottish judgment goes, not proven.