

Economic miracle study: soviet experience and assessment for Russia

*Vladimir Vasilev, Almaz Gapsalamov**, Tatyana Bochkareva, and Alevtina Kormiltseva

Elabuga Institute of KFU, 423604, Kazanskaya Street, 89, Elabuga, Russian Federation

Abstract. The relevance of the article is due to the search for ways to solve modern problems of the Russian economy based on successful historical experience. The subject of the study is the phenomenon of the "Soviet economic miracle" as a universally recognized event in the scientific literature in 1940-1950. The purpose of the study is to reveal the conditions and principles of the Soviet economic miracle, as well as to consider opportunities for similar growth of the modern Russian economy. Research methods – historiographic analysis, multiple thematic comparisons, search for causal relationships, the correlation between logical and historical processes, statistical data processing, graphic approach, theory of socio-economic formations, typology of economic systems. The results of the study: considered the main macroeconomic indicators of the socialist economy of the USSR and its competitor – the capitalist economy of the United States; the author's method of quantitative assessment of the Economic Miracle Power (EMP) based on the index method is proposed; qualitative fundamental and applied grounds for the implementation of the Soviet economic miracle were revealed; recommendations were made on the application of the historical experience of the Soviet economic miracle to solve existing problems in Russia under the conditions of sanctions pressure from "unfriendly" countries.

1 Introduction

Currently, radical changes are taking place in the global economic system. The usual principles of economic policy are being transformed into new ones. It is well known that such changes are always accompanied by economic crises. In the latest forecast for the development of the world economy, experts from the World Monetary Fund note an increase in the processes of deglobalization and fragmentation of the world economy. The reasons for this are the coronavirus pandemic and Russia's special military operation in the Ukraine. The world has entered a strip of destruction of established financial, trade and logistics ties, the redistribution of which suffers significant economic losses. In total, experts expect a decrease in world GDP by 7%. At the same time, the US economy will have positive but slowing GDP growth rates: 2023 – 1.4%; 2024 – 1%. China and India, as the world's largest economies, will also slow their GDP growth rates in 2023-2024, from 5.2% to 4.5% in China and from

* Corresponding author: gapsalamov@yandex.ru

6.8% to 6.1% in India. For the Russian Federation, which completed 2022 with negative GDP growth of 2.2%, in 2023 it is predicted to grow by 0.3%, and in 2024 by 2.1% [18].

Thus, it is possible to state the ongoing "storm" of the global economy, due to deep changes in the quality of socio-economic relations. On the other hand, the unipolarity of the world, supported by the false uniqueness of the "golden billion" of the West and the pseudo-efficiency of the liberal model of the Western economy, is replaced by multipolarity and the entry into the world leaders of alternative sources of economic growth – the BRICS countries, the countries of Southeast Asia, the countries of Latin America and Africa.

Currently, economic policy is of interest, which for its historical stage seemed non-standard, risky, impossible, but ultimately allowed for high-quality socio-economic growth in the country. That is why such economic actions were called a "miracle". Consider the "Soviet economic miracle", which refers to the period of the post-war restoration of the USSR.

2 Materials, Methods, Overview

The research methodology is based on methods that allow a qualitative and quantitative assessment of the phenomenon of an economic miracle.

For qualitative analysis, the method of typologizing economic systems according to various criteria was used. One of the criteria for the difference between economic systems is the dominant socio-economic formation in the country: capitalism or socialism. The second criterion is the country's dominant ways of coordinating economic relations: a market mechanism or administrative-command ways of managing. The third criterion is the national characteristics that determine the institutional environment of economic relations in the country. According to this criterion, the entire historical experience of the country's development affects the country's economy. Accordingly, it is necessary to distinguish the American, Soviet, German and Japanese economic systems. It should be noted that at the studied historical stage of 1940-1990 a certain configuration of economic systems has developed. Capitalist with a high share of the use of the market mechanism were considered American, German and Japanese economic systems. They were opposed by the socialist Soviet economy with the dominance of administrative and command methods of management. The task of the study is to reveal the phenomenon of an economic miracle in the context of confrontation between various economic systems, to identify the conditions for the manifestation of an economic miracle. The study hypothesis is: the confrontation of various economic systems, their struggle with each other is the source and engine of an economic miracle.

The methodological basis of the study is the works in the field of typology of economic systems, their essence and evolution of such scientists as K. Marks, A. Marshal, J.M. Keins, N.D. Kondratiev, R. Nelson, S. Winter. The special place is given to the study of the works of scientists working during the transition of the Soviet economy to the Russian economy. The works of such scientists as E. Gaidar, S. Glazyev, Yu. Gladkov, A. Gubar, S. Menshikov, N. Kuznetsova, I. Lipsits, V. Perepelkin, V. Saliychuk, B. Salikhov, E. Yasin were devoted to understanding the shortcomings and advantages of socialist and capitalist economic relations, analyzing their confrontation and opportunities for building more efficient socio-economic systems. The works of scientists – historians describing the processes of economic recovery of the Soviet economy in the post-war years, such as E. Borisov, A. Bezrukov, N. Dryakhlov, A. Kudryashov, V. Kamaev, A. Nesmeyanov, V. Semibratov, S. Heinman, S. Shukhardin, were also studied.

Statistical research methods were used to quantify the phenomenon of economic miracle. The authors proposed the Economic Miracle Power Index, which is directly dependent on the rate of recovery growth and inversely dependent on the rate of economic losses incurred.

Also, this index is in direct dependence on the number of years of economic decline and in inverse dependence on the number of years of economic recovery. In other words, the deeper the fall in time, and the faster the economy was restored, the higher the Economic Miracle Power Index is. Conversely, the less the economy stagnated, and the longer it recovered to its previous level, the weaker the Economic Miracle Power Index is. Calculation of the Economic Miracle Power Index (I_{EMP}) can be performed according to formula 1.

$$I_{EMP} = \frac{Rr * Nf}{Rf * Nr}, \tag{1}$$

where I_{EMP} – Economic Miracle Power Index
 Rr – growth rate of the country's GDP recovery
 Nf – number of years of the country's GDP fall
 Rf – growth rate of the country's GDP fall
 Nr – number of years of the country's GDP recovery

The Index calculations will be presented in this article in the research results section. The central issue for calculating the Index is the definition of a historical event or report point, after which we first have a fall in the GDP of the economy, and then have a positive GDP growth to the initial indicators. For the Soviet economic miracle such a historical event is World War II. For modern Russia – 2022, the year when the struggle for economic sovereignty in the context of the sanctions pressure of "unfriendly" countries began.

3 Results and discussion

3.1. Analysis of statistical indicators and prerequisites for the appearance of the Soviet economic miracle.

Historians attribute the Soviet economic miracle to the post-war recovery of the Soviet economy in 1946-1950. This is the fourth five-year plan for the development of the socialist economy. Consider the depth of the fall of the Soviet economy after World War II. According to various sources, the total losses of the Soviet economy after World War II can be estimated at 2 trillion rubles (at the 1945 exchange rate, \$1 is equal to 5.3 rubles, 377 billion dollars are received) [4]. To compare, the annual gross domestic product of the USSR in 1940 amounted to 417 billion dollars, and the United States – its main geopolitical competitor – of 943 billion dollars [19]. It turns out that for the Soviet Union material, economic, direct losses from the destruction of the national economy amounted to more than 90% of the annual GDP of 1940.

The struggle with Hitlerite Germany and the salvation of the world from fascism led to different levels of prosperity of the USSR and the United States. We analyzed the statistical data from Table 1. According to Table 1, it is clear that the war worsened the economic indicators of the USSR in comparison with the United States. Despite the rapid recovery of its GDP level, the Soviet economy was four times lower than the US economy. Moreover, if the USSR returned to the original level of GDP in ten years, then the United States was able to double its GDP. In other words, while the war was economically depleting the USSR, the US used this time for rapid economic development (Figure 1).

Table 1. Impact of World War II on the Gross Domestic Product of the USSR and the USA

years	Gross domestic product		Share of USSR GDP in US GDP
	USA	USSR	
1940	943	417	44
1945	1474	343	23

1950	1754	410	23
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* compiled by the authors on the basis of: The national economy of the USSR for 70 years. Anniversary Statistical Yearbook//M.: "Finance and Statistics," 1987.

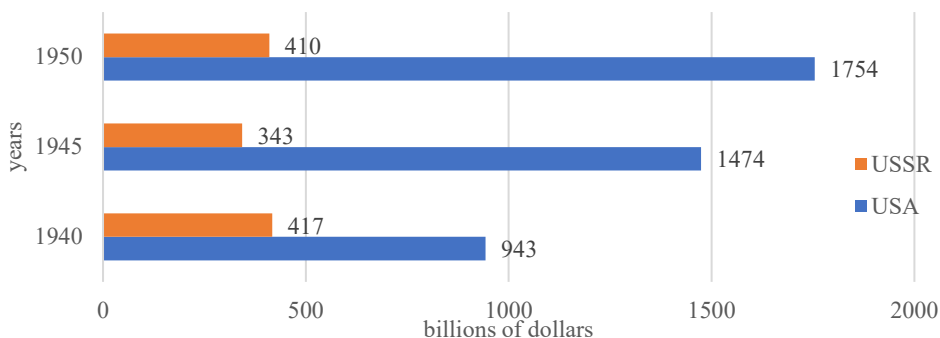


Fig. 1. Comparison of economic indicators of the USSR and the USA in 1940-1950.

To compare the results of calculating the author's Economic Miracle Power Index, we will use two sets of statistics presented in Table 2. First, let's determine the decline in the economy of the Soviet Union after the outbreak of World War II in the range from 1941 to 1945 – 5 years. During this time, GDP fell from 417 billion dollars up to 343 billion dollars, which is 18%. The economic recovery period will also be adopted at 5 years from 1946 to 1950. During this period, GDP grew from 343 billion dollars up to 410 billion dollars, which is 20%. The second set of data illustrates the difference in the strength of the economic miracle and concerns the future of the Russian economy. As described above, the fall in Russia's GDP in 2022 amounted to 2.2%, the forecast for Russia's GDP growth, generated by the International Monetary Fund in 2023, is 0.3%. Thus, the estimated author's Index of the strength of the economic miracle of the USSR is 8 times higher than the same indicator for Russia (Figure 2).

Table 2. Calculation of the Economic Miracle Power Index

	USSR (fall 1941-1945, recovery 1946-1950)	Russia (fall 2022, forecast-recovery 2023)
Recovery growth rate	0.20	0.003
Number of years of recovery	5	1
Fall growth rate	0.18	0.022
Number of years of fall	5	1
Economic Miracle Power Index	1.10	0.14

* compiled by the authors on the basis of: The national economy of the USSR for 70 years. Anniversary Statistical Yearbook//M.: "Finance and Statistics," 1987; World Economic Outlook Update, January 2023: Inflation Peaking amid Low Growth

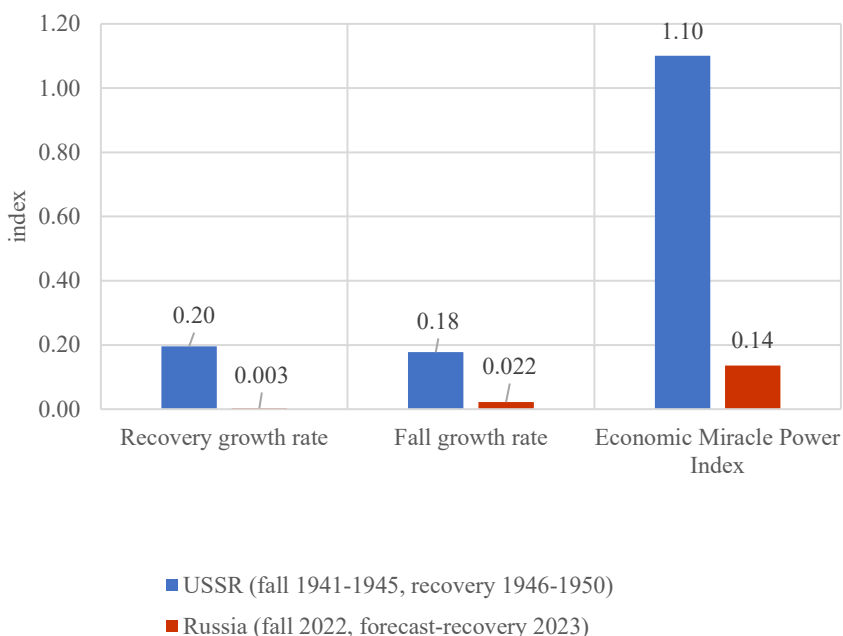


Fig. 2. Comparison of the Index of the Power of the Economic Miracle of the USSR and Russia

The practical significance of the presented author's Index is that it is possible to model economic indicators when setting target values of the Index. For example, in order to ensure the level of the Index equal to the Soviet economic miracle, it is necessary in 2023 to get Russia's GDP growth at 2.4%. Naturally, such growth should be accompanied by qualitative changes in the Russian economy, as in the days of the USSR.

3.2. Analysis of methodological grounds for the emergence of the Soviet economic miracle.

As a result, after the Victory in World War II, the Soviet economy was able to recover and show rapid growth in 1946-1950. The measures taken by the Soviet government made it possible to bring the Soviet economy to the leaders of the world economy. In 1953, the Soviet Union ranked second in terms of GDP after the United States. Indeed, if the growth rate of the world economy in 1946-1953 was equal according to different estimates of 4%-5%, then the USSR in the same period provided, at least, indicators twice as good as the world's 8%-9% [12].

On the other hand, some countries, such as Germany and Japan, after World War II, also showed high growth rates and quickly restored their economic systems. From the 1950s to the 1980s, Germany and Japan showed an increase of 8% to 10% annually [7]. At the heart of this growth were principles different from the Soviet model. Firstly, the rejection of military spending and the strengthening of spending by the consumer sector. Secondly, strengthening discipline, using natural hard work and developing the cultural and educational foundations of society. Thirdly, investments in energy and resource-saving technologies, increasing the share of intellectual labor in the cost of goods as the most replenished resource, creating powerful clusters of automotive, electronics, and later computer equipment. Fourthly, the improvement of the tax and fiscal policy of the state, in order to minimize the

negative effects of capitalist ideology that encourages the pursuit of profit, the creation of a fair social state with a progressive tax scale that allows leveling the incomes of the population. These principles also led the countries to a German and Japanese economic miracle.

As the historical analysis showed, other fundamental and applied principles of economic policy were at the heart of the Soviet economic miracle (Figure 3).

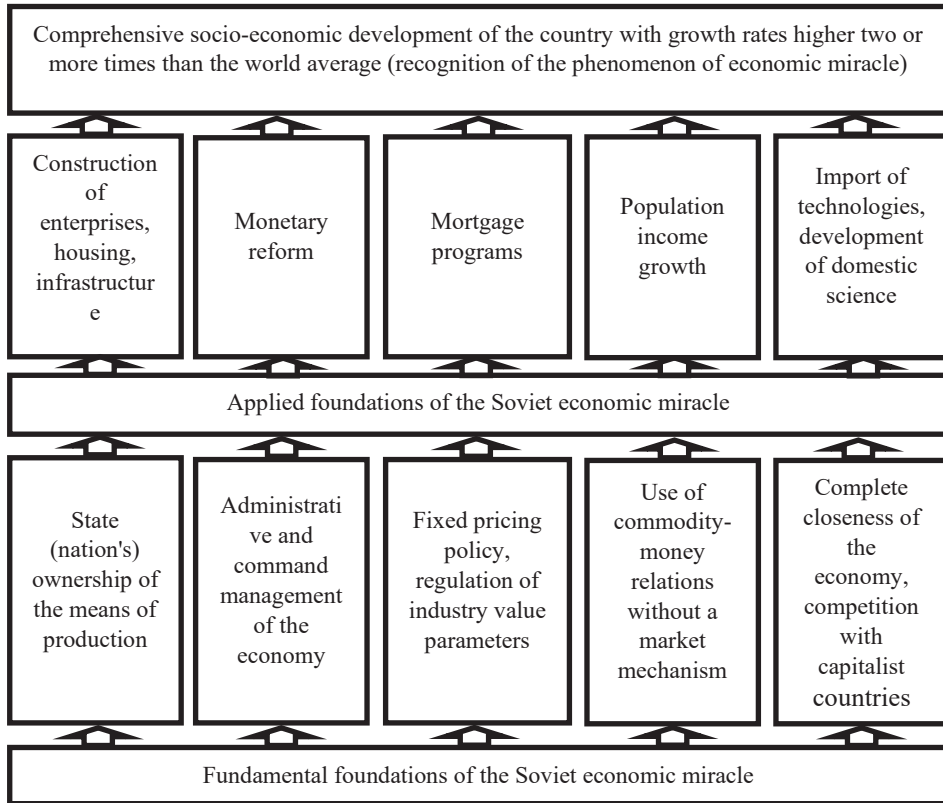


Fig. 3. Historical analysis of the deployment of the Soviet economic miracle

First of all, the Soviet economic miracle was the result of the economic system formed before the war, focused on large-scale mobilization of resources for the set goal. Before the war, industrialization was this goal: from 1922 to 1940 9 thousand industrial enterprises were built “turnkey”, and the USSR used grain and other material assets to pay for the import of machine tools, equipment and technologies for these enterprises. After the war, such a goal was the restoration of the economy, housing construction, industrial and food enterprises and collective farms. The management system, determined to mobilize resources, thanks to which the war was won, made it possible to restore the Soviet economy as soon as possible. Until the 1990s, the Soviet economy used mobilizing and catching up types of development, while the costs of using these models became excessively high and led to the collapse of the country.

In the applied aspect, the Soviet economic miracle became possible after the implementation by the Soviet government of the following areas:

1. Monetary reform. From 1946 to 1953 a managed denomination of the ruble was carried out. At the same time, an increase in the production of goods led to a decrease in prices annually by 1.3-1.5 times for the most popular goods and services. This happened against the background of rising wages.

2. Housing mortgage. In 1946, the Soviet government decided to implement mortgage programs. At the same time, the mortgage rate did not exceed 1%, and loans were issued to Soviet citizens for 10-12 years. This allowed millions of Soviet families to purchase apartments, and the construction industry stimulated the development of other sectors of the economy.

3. Increased incomes of the population. In the Soviet economy, bonus payments for fulfilling and overfulfilling the planned tasks began to be actively used. At the level of working specialties, bonuses were paid from 50% to 100% of the monthly salary. This stimulated consumer demand and made it possible to increase the supply of goods and services.

However, gradually the Soviet economy was at an impasse. High rates of economic growth were gained. The peak was in 1977, when the USSR GDP amounted to 43% of the US GDP level. Thus, it took 37 years to provide pre-war comparative indicators with the US economy. Then there is a decrease in economic indicators. The Soviet economy was in a deep crisis and reduced its GDP in 1991 to 35% of the US GDP level [5]. In fact, the country returned to the level of development of the post-war years.

At the same time, developed Western countries made a breakthrough in their development, carried out large-scale modernization, and entered a new technological structure related to electronics and computer equipment. This made it possible to radically increase labor productivity in capitalist countries. This confirms the difference in GDP per capita, which in 1989 amounted to 9.2 thousand dollars in the USSR and 21.1 thousand dollars in the United States, despite the fact that the population of the Soviet country was 16% larger, and GDP was half as much as its capitalist competitor [14].

3.3. Modern application of the phenomenon of "economic miracle" for the Russian economy: problem setting and forecasts

Consider the current situation in the Russian economy, which for 30 years after the collapse of the Soviet Union, is still trying to find the conditions and tools that ensure the Russian economic miracle. After the return of the Crimea and the special military operation to protect the citizens of Donbas, several thousand sanctions were imposed on the Russian Federation. Such pressure from Western countries and the United States was supposed to cause significant damage to the Russian economy. Indeed, at the end of 2022, Russia's GDP decreased by 2.2%. This is due to the restructuring of the economy in the fight against the imposed sanctions. In addition, time is needed to replace foreign private companies and investment projects that have left due to sanctions from the Russian market. In such conditions, the business reduces its activity, falls in total output, decreases consumer spending and tax revenues to budgets of all levels.

According to the draft Russian budget, in 2022 its revenues were supposed to cover expenses with a surplus. The change in the economic situation led to the fact that revenues increased from 357 billion dollars to 394 billion dollars, and expenses increased even more from 328 billion dollars up to 434 billion dollars. This is due not only to an increase in military spending, but also to support the population and business under sanctions, as well as the restoration of the destroyed infrastructure of new territories. As a result, the budget deficit of 48 billion dollars had to be covered from the National Welfare Fund, which currently amounts to 185 billion dollars [2].

It should be noted that if it is not possible to realize the Russian economic miracle, then in such an economic situation the National Welfare Fund will only be enough for three and a half years. In addition, in 2023 it was also planned to get GDP growth of 3%. However, it is already becoming clear that it will not be possible to ensure such economic growth in the face of sanctions pressure. Experts predict the growth of the Russian economy at the level of

0.3%. In this case, obvious and implicit losses of Russia's GDP can amount to about 130 billion dollars according to various estimates, which is equivalent to the balances in the accounts of the National Welfare Fund. At the same time, illegally frozen funds of the Central Bank of the Russian Federation of 300 billion dollars are already unlikely to be returned.

As a result, we can say that 2023-2024 are expected to be very difficult for the Russian economy. It is necessary to solve a number of problems. Firstly, to reorient the export of raw materials and oil and gas resources to friendly countries. Secondly, to overcome the technological hunger that arose when technology imports were closed, which in the past was widely used in both the Russian and Soviet economies. Thirdly, it is necessary to increase the volume of goods and services, especially in high-tech industries and not only, as well as in the consumer sector, in order to ensure an increase in tax revenues to the budget. Fourthly, it is necessary to fulfill, and it is better to exceed all social obligations of the state planned for the future financial period: to ensure the commissioning of housing, the construction of schools and other educational institutions, and continue to improve transport, energy, logistics and social infrastructure. Fifthly, to ensure the modernization of ideological and cultural policies in the direction of the development of patriotism and the neutralization of internal hidden threats in Russian society.

It should be admitted that at present, in wartime, an acceptable solution for the Russian economy could be to borrow the mobilization model of the Soviet Union, which just ensured its victory in hostilities, and then a quick and high-quality economic recovery.

3.4. The causes of the Soviet economic miracle and the subsequent crisis of the Soviet economic model

Note the pros and cons of the model that ensured the appearance of the Soviet economic miracle. First of all, we will conduct a review of the opinions of experts, noting the advantages of a socialist, centralized economy over a capitalist and free market management mechanism.

The career and the work path of Soviet people did not depend on their money, starting capital or other material values, but mainly on their personal qualities, hard work, perseverance and talent [8]. Of course, over time, social equality was deformed by preferential conditions created for itself by party nomenclature. There were periods when they began to fight against negative manifestations and abuses of the Soviet elite (in particular, Secretary General Yu.V. Andropov devoted much of his development program to this [11]). In addition, the main social benefits of the state were available free of charge for the Soviet citizen – housing, medicine, education, sports, culture, leisure [1].

Another advantage is the higher rate of increase in industrial production in the socialist economy than in the capitalist one. Having suffered huge losses in World War II, the Soviet Union by 1970 was already contributing to the world GDP at the level of 14%, which is comparable to the GDP of such countries as France, Italy, Canada, Spain and Great Britain combined [10].

Hence another difference in the Soviet economy, highlighted by scientists, it is the mobilization nature of development. Scientists note that the target concentration and mobilization of resources for solving specific problems in time was a characteristic feature of the Soviet economy. Moreover, in order to achieve the set goals, special labor motivations were created, largely based on autarky, coercion, restriction of borders and free choice. All the grandiose achievements of the Soviet Union were ensured at the expense of two components: a tough policy regarding labor resources (collectivization, stick wages in rural areas without the right to move, forced labor of prisoners, etc.) or the import of ready-made technologies (industrialization, construction of turnkey factories with foreign conveyors and machines) [17].

Among scientists, the point of view that the economy of the Soviet Union was focused on a catch-up path of development is popular. Built on competition with the capitalist system, the Soviet economy was constantly catching up with the level of development of Western countries [6]. Scientists distinguish the developed countries and the developing ones. The Soviet Union goes into the second group in the context of a decrease in the efficiency of the centralized economy and significant success in the innovative development of capitalist countries.

It was the failures in scientific and technical development and the introduction of innovations in the consumer sector that had a negative impact on the slowdown in the economic growth of the USSR. Researchers note that the success of the United States in the development of the microelectronics and personal computers industry has become possible due to the connection to investments in the inventions of the consumer society and the market [9]. There was no such society in the USSR, innovations did not receive quick support on the basis of free market exchange, and centralized management of innovative development was not effective.

Another disadvantage of the Soviet development model is excessive militarization and distortions in financing heavy sectors to the detriment of consumer ones. Sooner or later, such an economic system should have been in crisis and lost in confrontation with the capitalist system of developed countries. Scientists note that about 80% of the USSR industry directly or indirectly worked for the fulfillment of military orders. More than 16 million people worked in the military-industrial complex. Funding for scientific research of a military nature occupied 75%. The production of military equipment amounted to 25% of the gross national product (in the United States this figure was 6.1%) [13].

As the researchers note, the strength of the economy of the Soviet Union consisted in an ideological foundation, which had a message to the fair distribution of economic benefits and means of production between the citizens of the country as one nation [16]. The unity of target guidelines and the continuity of ideological institutions (October, Pioneer, Komsomol party organizations) served as a strong moral incentive, tuned to discipline and made the general more important for a person than personal. In a capitalist economy, such moral bonds are the spirit of freedom, entrepreneurship, rivalry, charity and social responsibility. However, the motives of sacrifice for the common good, the mobilization of resources to solve super-tasks (industrialization, victory in war, economic recovery) are stronger in socialist ideology than under capitalism. Most of all, this power of the people, its spirit and unity manifested themselves during the World War II.

Another distinctive feature of the Soviet Union is the ability to quickly counter military threats. Historically, the country was constantly in an aggressive enemy environment and always had to fight for territorial integrity. Therefore, the sectoral structure and financial policy of the Soviet Union were tuned to the high results of the military-industrial complex. The Soviet people were always promptly ready for military mobilization. During World War II, the defenders were both at the front and in the rear – at machine tools, at enterprises, in the production of food and other goods. On the one hand, this allowed, at the cost of incredible efforts, to defeat Nazi Germany and provide a happy life for future generations, and on the other hand, involuntarily led the economy to drift to a high and ineffective for a peaceful life militarization. The accumulated costs of building up and maintaining the military-industrial sector have placed a heavy burden on the entire economy of the Soviet Union. According to various estimates, the USSR military machine in the last decades of its existence "burned" from 20% to 30% of the country's GDP and amounted to 300 billion dollars annually, which at the moment exceeded even similar US expenditures [3].

As a result, the shortcomings of the created Soviet economic model, reinforced by the external negative influence of capitalist countries making efforts to inflict economic damage on the USSR, led to the collapse of the Great Country.

The Soviet Union took a different path from Western, capitalist countries. To ensure the speedy economic recovery after World War II and the implementation of the economic miracle, the foundations for the construction and functioning of a socialist economy were used.

Firstly, it is the national ownership of the means of production in both industry and agriculture. This approach made it possible to ensure the initial equality of all labor resources in the economy. The downside of the lack of an individual owner is low motivation for saving and accumulating production funds. Accordingly, the disappearance of internal motivation among Soviet workers for saving, rational use of resources, accumulation and expansion of production, high-quality improvement of technology, and the introduction of innovations. All of this has been replaced by ideology, discipline, control, coercion and the risk of punishment.

Secondly, it is the rejection of market-competitive principles of economic relations. Indeed, the market mechanism in the long term leads to the deformation of social equality, a class of rich and poor arises inevitably. Soviet leaders wanted to avoid this. However, with all the disadvantages, the market mechanism also has its advantages: low costs for coordination and regulation of supply and demand parameters. When appropriate conditions are created, the invisible hand of the market is the least costly and most optimal mechanism for determining the quantity, quality and value parameters of goods. Without a market mechanism, planning consumption and savings parameters, industry structure, investment development becomes a costly process with a high risk of errors, distortions, attributions and losses. Obviously, the collapse of the Soviet economy largely became the result of imperfections of administrative-command mechanisms, the inability from a single center to determine what, when, to whom and in what volume and quality is needed in one of the hugest countries in the world.

Thirdly, it is the government pricing as an absolute tool for controlling inflation. This also did not take into account the reverse side of strict price restrictions. In the context of a gradual increase in the income of the Soviet population, which was one of the tasks of the country's political leadership and at the same time limiting prices and the volume of goods, this is a direct path to the deficit and tension of the consumer market. In such conditions, shadow economics and hidden speculation is developing. At the same time, the real prices of scarce goods are several times higher than the officially established ones. With zero official inflation in the Soviet country, there was hidden double-digit inflation and a widespread inflationary overhang of prices.

Fourthly, the Soviet state was unable to completely abandon commodity-monetary relations in favor of in-kind exchange based on labor results, which corresponds to a high level of socialist relations according to the doctrine of Marxism. Leaving the cash equivalent in labor relations, a time mine was laid, which worked when the negative effects of commodity-money relations accumulated. Recall that according to the Marx theory of socialism, money should be gradually replaced by labor receipts that are issued to people based on the results of their work, regardless of the position and status of the person. For these receipts it's possible to receive all material and non-material benefits of society which are equivalent to the labor costs of the employee. The advantage of this approach is the absolutely transparent remuneration of all members of society based on the results of their individual work in the general national economy. With such a system, corruption and enrichment are not possible. The activity of moneylenders, bankers and other parasitic elements loses its meaning due to the lack of an object of their activity – money in society. Money and bank interest are a source of inflation. Money is the cause of rising economic injustice. Only thanks to money as a means of accumulation, rich and as a result poor appear. Money is the reason for the manifestation of negative human qualities – greed, idleness, laziness, enrichment at the expense of the work of others, the use of official position for their

own purposes. If there is no way to earn money by dishonest labor, then the motive for dishonest labor also disappears. Society and the economy are getting cleaner, better and fairer. The Soviet economy was unable to give up money and this became one of the reasons for the accumulation of negative effects in Soviet society.

Fifthly, the closeness of the Soviet state, its external activities through its agents, the lack of freedom to travel abroad for ordinary citizens, all this also had both positive and negative effects. The advantage of such a system is the lack of external economic pressure. In the closed system, it is possible to maintain zero inflation rates since the external currency flow is under strict control, and internal monetary aggregates are regulated based on the dynamics of the commodity mass and the increasing need for investment development. In addition, in a closed economy, ideology becomes an effective tool for regulating economic relations, a kind of set of rules for what can and cannot be done. Socialist ideology motivated people to live honestly, equally, with a common idea in a bright future, and in difficult moments (industrialization, war, post-war restoration) quickly and large-scale mobilize all resources to achieve a common goal. But only if the economy is closed! As soon as the political leadership of the USSR in the late 80s weakened the criterion of economic closure, allowed information to move freely in society, and people to see and compare life in other countries, socialist ideology ceased to be an element of regulating economic relations, turning into a rudiment that interferes with society. In addition, by this time, all negative effects had already accumulated related to mismanagement of state property, irrational use of resources, shortage of goods, inaccuracy of administrative and command management methods, the use of commodity-monetary relations for selfish purposes, significant and unjustified militarization of the economy, and the special status of the nomenclature elite.

4 Conclusion

We will briefly answer the questions posed at the beginning of the presented article. Firstly, the chosen economic model of the Soviet Union turned out to be effective in certain conditions: in the fight against the external enemy, in mobilizing resources for Victory in the war, in the rapid recovery of the country after the war. In other conditions that ensure a qualitative increase in consumer spending, the introduction of innovations and new equipment into everyday life, saving and improving production activities, unfortunately, the Soviet model lost to the market-value and liberal-capitalist Western model.

Secondly, the path of development of the Soviet state was controversial. To preserve the country, some of the original principles of building a socialist economy had to be abandoned. Such assumptions were made in the field of commodity-monetary relations, new economic policy, and the ideological inviolability of the Communist Party. As a result, such retreats rocked Soviet society, gave birth to many negative effects and abuses, and ultimately led to an economic crisis.

Thirdly, to improve Russia's current economic policy, it is necessary to take into account the historical experience of the Soviet economic miracle, it is advisable to use all types of economic growth: mobilization, catching up, innovative, self-sufficient, liberal-market, administrative-command. There is no single solution to the current problems. A comprehensive consideration of the socio-economic situation is important. On the other hand, the mistake of Soviet leaders was the rapprochement with Western capitalist countries and the desire to adopt their economic model. These trends were used for covert, subversive, hostile actions against Soviet society and the state. It is necessary to know the history and not to repeat the same mistakes in the future.

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