

# FROM THE CHIEF EDITOR

DOI: 10.15838/esc/2014.5.35.1



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## The necessity of a new development cycle

November 13–15, 2014 Vologda will host the all-Russian research-to-practice conference “Society and sociology in modern Russia”. The conference is organized by the Institute of Sociology of the Russian Academy of Sciences, the Institute of Socio-Political Research of the Russian Academy of Sciences, the Institute of Socio-Economic Development of Territories of the Russian Academy of Sciences and the Vologda Oblast Government.

The conference will focus on the discussion of issues associated with the increasing role of social science in facilitating the transition of Russia to the path of sustainable and balanced development, which ensures continuous increase in the production of goods and services and achievement of higher quality of life on this basis.

The current issue of this Journal is almost entirely devoted to the research findings that touch upon the issues to be discussed at the conference; the topics covered in the previous issues of the Journal are expanded<sup>1</sup>.

<sup>1</sup> *In No.2 (32) 2014 see: Ilyin V.A., Shabunova A.A.* Sociological assessment of public administration efficiency. *In No.3 (33) 2014* the following articles were published: **Gorshkov M.K.** On the axiomatic interpretation of the economic factors’ impact on economic growth; **Lokosov V.V.** The transition from extensive to intensive demographic policy; **Shabunova A.A., Lastochkina M.A.** Overcoming social inequality as an impetus to socio-cultural modernization; **Leonidova G.V., Popov A.V.** Labor satisfaction as an indicator of public administration efficiency (sociological analysis); **Panov A.M.** Gender analysis of the Russian labor market. *No.4 (34) 2014* contains the following articles: **Osipov G.V.** Political blackmail – the eve of the global catastrophe; **Toshchenko J.T.** Economic consciousness and behavior: state and trends (1990–2012); **Tatarkin D.A., Sidorova E.N.** Assessment of the impact of the social reproduction process on economic development of the region (case study of the Sverdlovsk Oblast); **Popova L.A., Barashkova A.S.** Development of marriage and family relationships in the northern regions of Russia; **Bazueva E.V.** Assessment of professional of the head of a socially-oriented establishment; and also the materials in the section “Round table: society and sociology in modern Russia”.

Modern Russian society has been formed primarily under the reforms that transformed the hierarchical-centralized Soviet economic system in the market economy. The monopoly of state ownership is now a thing of the past; proprietary relationships have become heterogeneous in nature. Mass privatization of the former socialist enterprises has led to the rise of a class of capital owners. The late 1990s – early 2000s have witnessed the formation of the basic institutions inherent in the market system.

However, the rapid transition to the market economy resulted in transformational recession, which manifested itself in deindustrialization, in the “commodity bias” of the economy, and in its significant dependence on the fluctuations of the world market of energy resources. Granted, since the early 2000s the legislative and executive authorities and business structures have managed to restore and somewhat increase the volume of gross domestic product; nevertheless, the efficiency of Russia’s economy has not improved, and the economic and social gap between Russia and other countries has become even more significant.

Establishment of the market system in Russia was accompanied by great changes in economic consciousness and behavior of its people. The article by RAS Corresponding Member J.T. Toshchenko, published in this Journal, contains a comprehensive analysis of these changes<sup>2</sup>.

The researcher describes in detail the contradictions that have been emerged in the public consciousness, he shows that many of its features are paradoxical in nature.

Besides, he suggests a way to overcome this abnormal state of affairs. Here we should also note his fundamental conclusion that **“the proclaimed advantage of market relations can not win a way by itself. If they are not socially oriented, people (or a significant part of the population) face poverty, deprivation and despair”**.

The imperatives of the economy, on the one hand, and the maintenance of social stability, on the other hand, require the country to pursue a balanced social policy. By the way, this very field of research provides very useful and fruitful grounds for sociologists to plunge into economics and for economists to explore public sentiment, subjective expression of people’s needs, motives and interests. This is proved by many years of experience in the comprehensive research carried out by ISED T RAS. The major contribution to the formation and organization of this research has been made by Academician G.V. Osipov, one of the most prominent Russian sociologists. The results of the economic analysis are combined well with sociological assessment of social attitudes; they broaden and deepen the knowledge of the state of society. Moreover, this tool seems to be indispensable not only in assessing the current state, but also when defining the priorities of social development for the future.

<sup>2</sup> See: Toshchenko J.T. *Ekonomicheskoe soznanie i povedenie: sostoyanie i tendentsii (1990–2012)* [Economic Consciousness and Behavior: State and Trends (1990–2012)]. *Ekonomicheskie i sotsial’nye peremeny: fakty, tendentsii, prognoz* [Economic and Social Changes: Facts, Trends, Forecast], 2014, no. 4, pp. 36-47.

Currently, these priorities include, first of all, support to the most vulnerable segments of the population; promotion and development of people's abilities to improve their professional skills and to adapt to the new requirements of production and lifestyle. In this respect, sociologists have, perhaps, the most extensive field for scientific and practical activities.

Political aspects of social structure are crucially important. Here it is necessary to continue the establishment of efficient legislative, executive and judicial power, and effective law mechanism.

The researches carried out by ISEDT RAS and the majority of other scientific institutions show that it is mainly the government and business that currently have real impact on economic and social development, while the civil society just acts as an observer. In turn, the absence of a developed civil society and its effective institutions breeds irresponsibility of power structures and owners of private capital. It becomes more evident that the society can develop sustainably only when its elements are structured both vertically and horizontally, when the society has a strong government and civil basis.

More than a twenty-year period of reforms Russia has been going through has become a serious test for the moral foundations of its society. Academician K.M. Gorshkov notes: **“Once the state has actually abandoned its role of the moral “mentor”, and other public institutions could not or did not want to take this role, the Russians have faced a free choice of moral compass. And many have chosen to renounce the unnecessary “moral burden”, because disregard for traditional moral and**

ethic guidelines has become, in some cases, economically and socially profitable”<sup>3</sup>. This fact arouses great concern in most of the citizens, which is a sign that the Russian society feels the urgent necessity to improve the moral climate in the country.

The realities of life necessitate the country's transition to a new cycle of development characterized by qualitative changes in the production of goods and services, in the efficiency of labor, material and financial costs; and also by dramatic improvement of the quality of life for everyone.

Social policy should be focused on efficient measures to reduce excess income differentiation of the population, to increase the resources allocated for the social sphere, to provide progressive demographic development, to improve public health and increase life expectancy. Russia should become a country that has actually achieved social justice.

The necessity of transition to this development cycle is manifested more and more evidently in the expectations of the overwhelming majority of the Russians. But it is fundamentally important that not only the public, but also the leadership of the country recognizes this necessity. It was set out in V.V. Putin's speeches during his presidential election campaign, and later in his decrees signed on the day of his presidential inauguration on May 7, 2012.

<sup>3</sup> See: Dvadtsatiletie rossiiskikh reform v otsenkakh ekonomistov i sotsiologov (dvadtsat' tezisov o glavnom) [The Twentieth Anniversary of the Russian Reforms in Assessments of Economists and Sociologists (20 Theses About the Main Thing)]. *Mir peremen* [The World of Transformations], 2012, no. 1, p. 29.

These decrees contain conceptual directions of the strategy for Russia's economic and social development for the period up to 2020. They set out the key indicators that must be achieved during this period, the ways to improve public administration in order to achieve the planned objectives and strengthen national security.

But it is especially important that V.V. Putin shows the desire to achieve these objectives. In September 2012 he publicly reprimanded three federal ministers for the failure to implement the decrees<sup>4</sup>. At the session of ministers and governors in Elista in April 2013 Putin strongly criticized them for sluggishness in the implementation of the decrees.

Public mood concerning the financial and economic policy pursued by the government headed by D. A. Medvedev was clearly expressed in the editorial of the journal "The Expert".

It stated: **"The program set of actions is clear: infrastructure projects, primarily transport, growth of housing, cheap mortgage, rental housing; modernization of the housing and utilities sector, it is not a black hole, but an area of development; the changes in monetary and credit policy, cheap capital, the development of the entire financial sector – today it is primitive and does not correspond to the challenges we are facing; of course, further development and implementation of innovation; the development of productive forces throughout the country, the provision of**

<sup>4</sup> See: *The Izvestia Newspaper*, issue of September 19, 2012.

**support to any business in the regions. It is time to work on specific organizational technologies for the solutions of this set of tasks"**<sup>5</sup>.

September 18, 2014 the meeting of the State Council was held; its participants discussed the issue of development of domestic business and enhancement of its competitiveness on the world market.

The working group on the preparation of this meeting, headed by the Belgorod Oblast Governor E.S. Savchenko in collaboration with the presidential administration has prepared the report, which proposed a set of actions corresponding to the new economic reality<sup>6</sup>.

The report states that to ensure sustainable long-term growth of Russia's gross domestic product at the level of 7–8% annually it is necessary to implement a new model of economic growth based, first, on a reasonable import substitution and, second, on an active stimulation of domestic demand and consumption.

In order to launch this model successfully, according to the conclusion of the working group, it is necessary to abandon a number of old and tired economic decisions and some embedded myths, and at the same time to adopt new norms and rules of economic behavior that is consistent with the challenges of the time.

<sup>5</sup> Vyiti iz brenda. Redaktsionnaya stat'ya [To Come Out of Delirium. Editorial]. *Ekspert* [The Expert], 2013, no. 19, May 13–19.

<sup>6</sup> See: *The transcript of State Council meeting, September 18, 2014*. Available at: <http://www.kremlin.ru/transcript/46636>.

In particular, it is necessary to abandon the following:

- the deeply rooted myth about Russia’s inability to provide itself with food, clothing, footwear and durable goods; the RF Government should make a list of import substitution projects, and most importantly, to establish a new mechanism to support them;

- the disproportionate, if not discriminatory, relations between financial lending institutions and the real sector of the economy, to make lending resources available to business;

- the moratorium on the review of the tax legislation (to replace VAT with turnover tax, to revise withholding tax rate, to introduce changes into the payment of excise taxes on alcohol);

- the lingering underfunding of science
- the foundations of Russia’s future competitiveness, economic and social progress; to solve this problem not by increasing budget financing, but mainly at the expense of large

companies and corporations, by establishing corporate engineering and research centers;

- hasty reforms that have not been subject to profound expert assessments<sup>7</sup>;

- the traditional ways of economic management that have not been changing for decades and are now ineffective; the new economic and social reality requires that the whole management paradigm of executive and legislative power should shift to the management of goals and projects, both economic and humanitarian.

The real driving forces of economic growth for the next decade can be: the construction of 50 thousand kilometers of highways by 2020 (up to 2022), the annual commissioning of individual housing up to one million detached houses (130–150 million square meters), resettlement of the quarter of the Russians in their own houses in the period of ten years. These two projects will provide a powerful multiplier effect for economic growth; and political consequences

<sup>7</sup> The report by E.S. Savchenko contains the following examples of such reforms: power, and the establishment of suburban railway passenger transportation after the reform of Russian Railways. The report points out that reforms in education do not solve the main problem: the system of professional education does not correspond to the demands of the real economy; the interests of educational institutions, employers and the students themselves are fragmented: the economy needs skilled workers, the modern labor aristocracy usually has secondary education, and more than 80 percent of young people in Russia obtain higher education in specialties that are not always in demand on the labor market.

Here we note that urgent problems of education in Russia were voiced on the forum of the All-Russia People’s Front “Quality education for the sake of the country” recently held in Penza, and they were presented to President V.V. Putin personally. In particular, the forum has identified the main reason why there are so many problems in education: simple borrowing of certain elements of successful education and science systems from other countries without socio-economic conditions in which these systems are functioning. The Unified State Exam deprived higher education institutions of the opportunity to choose their students, it does not cover all sections of the school program. The Bologna process has destroyed the excellent training of specialists and has become a threat to education in several areas (See: *Ekspert* [The Expert], 2014, no. 43, p 12).

of their implementation: the strengthening of social stability and national unity of Russian society – are difficult to overestimate.

As we can see, these measures are essentially the same as those suggested in a more general form in the above-mentioned editorial of “The Expert”.

A year and a half has passed since that time. Unfortunately, the Government of the Russian Federation has not undertaken any serious actions for shifting the country to a new cycle of development. Why?

The article from “The Expert” ends with the following conclusion: **“We need a new paradigm, we need new ideas on how to develop the country, and we need new carriers of these ideas... But ideological power is in the same hands. We cannot expect anything useful from these people any longer, they hinder the onward movement”**. Unfortunately, the same conclusion can be made today. A year and a half has been lost. How much more do we have in stock? Who can say?

The formation of a new cycle of domestic development is now significantly complicated by anti-Russian sanctions imposed by the U.S. and its European partners in connection with the events in Ukraine. V.V. Putin, speaking at the plenary session of the Valdai International Discussion Club in Sochi on October 24, 2014, pointed out that the purpose of such actions is to throw the development of Russia far back. But the President highlighted that these plans would never be realized. He said: **“Russia has made its choice. Our priorities are further improving our democratic and open economy institutions, accelerated internal development, taking into**

**account all the positive modern trends in the world, and consolidating society based on traditional values and patriotism”**<sup>8</sup>.

The tasks of sociological science come to the fore at the new stage of development of the Russian society. We are talking, on the one hand, about the enrichment of the theory of social and socio-political development of Russia’s society and its various social groups, taking into account progressive changes in the economy and in the social and political spheres. On the other hand, it is necessary to involve sociologists in the practical achievement of qualitative changes of social development.

It appears that after the Federal Law “On state strategic planning”<sup>9</sup> has been adopted in the middle of this year, sociologists will have new opportunities for participation in the implementation of federal and regional programs and projects and in their scientific and technical expert assessment. Sociologists should convince the authorities of the necessity to obtain objective data on how the population perceives socio-economic and political transformations that take place nationwide and in individual regions. Sociology will be able to fulfill its function properly, when the system basis of the research is put in legal form, when there are efficient unified mechanisms for assessing public opinion on the effectiveness of

<sup>8</sup> Putin V.V. *The opening speech at the plenary session of the Valdai International Discussion Club, October 24, 2014*. Available at: <http://www.kremlin.ru/news/46860>.

<sup>9</sup> June 18, 2014 the State Duma adopted in the second reading the draft Federal Law “On state strategic planning” (No. 143912) prepared by the Ministry of Economic Development of the Russian Federation.

state administration throughout the power vertical. Sociology will also benefit when the mechanisms are established for analyzing the results of the response, which is enshrined in law, at all the levels of power.

All of the above-mentioned fits well into the areas to be discussed at the all-Russian research-to-practice conference “Society and sociology in modern Russia”.

The format of the conference – plenary session and thematic sections – chosen by the organizing committee of the conference makes this forum a landmark event.

All the more so that it will be held at the twenty-year anniversary since an informal professional holiday, Sociologist’s Day, has been established in Russia. Since November 14, 1994 this holiday has been celebrated at the faculty of sociology at Saint Petersburg State University, the cradle of Russian academic (university) sociology. We think that the scientific community of sociologists in Russia will continue to participate in solving the problems associated with the transition to a new cycle of the country’s development.