Tugan-Baranovsky

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Abstract: Mikhail Tugan-Baranovsky was one of the most prolific Russian economists at the turn of the 19–20th centuries. His thought was largely influenced by Western ideas, like most of his fellow Russian economists. But Tugan-Baranovsky's theories in turn also influenced Western economic thought to an unprecedented extent. Tugan-Baranovsky's Western legacy is first reflected on, before we examine the West's reception of two of his works: *Industrial crises in England* (1894) and *Theoretical foundations of Marxism* (1905). We compare the conception of these works vis-à-vis their intended audience, and their reception in the international context of the circulation of ideas, so as to define Tugan-Baranovsky's relationship with the West.

Keywords: Tugan-Baranovsky, Russian economic thought, crises and cycles, Marxism, international circulation of ideas

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> Western thought, unlike other branches of science and culture, has not taken into account the development of economic theory in Russia. One can boldly assert that, in the field of economic theory, M. I. [Tugan-Baranovsky] was the first to force European thinking to pay serious attention to its movement in Eastern Europe and in Russia […] Not only did he become on a level with the epoch and on a level with the scientific economic thinking of advanced countries, but he was also able to contribute to its progress and, by virtue of this, he, more than anyone else enabled Russian economic science to be placed on a par with that of Europe. (Kondratiev, 1923/1998, p. 337)

1. Introduction

Nowadays, the name of Tugan-Baranovsky is associated with one of the most famous Russian economists, renowned for his developments in the field of crises and cycles theories. But where does this odd last name emanate from? According to a family legend, the Tugans were an old Tatar family — thought by some to be direct descendants of Genghis Khan — settled in Poland, and from at least the 15th century were serving in the cavalry for the Kingdom of Poland and the Grand Duchy of Lithuania. During the 1410 Battle of Grunwald, Tugan-bek, the chief of the Tatar cavalry, took arms against the Teutonic Prussian knights, and fell in love with a Polish princess, Rosalia Baranovskaya. She agreed to marry him on condition that he brought her back the head of a Teutonic general. No sooner said than done, according to the same family legend: the Tugan-Baranovskys were born. The Tatar and Polish noble origins were a source of pride to the family, but in the 19th century they lost their noble titles, following participation in the 1830 and 1863 uprisings in Poland, including by the grandfather of our economist. Mikhail Ivanovich was born into this Russian family in Solyonoe in the province of Kharkov, in the territory of today's Ukraine, as the son of Ivan Yakovlevich Tugan-Baranovsky, freshly converted to the orthodox faith, having changed his original name, Ibrahim Jakubovich. This story, told and documented by archival proofs by Tugan-Baranovsky's own grandson[2] (the episode of the Teutonic head left no official document) gives a rather colorful meaning to the origins of Tugan-Baranovsky. He was Russian, but as this story tells, his nationality was only the summary of a much more complex story composed of exchanges between diverse cultures, religions, languages and places.

This story told here serves as a useful reminder that when I use the broad categories of *Russia* and *West* in this paper, they never target a pure national idea, as the latter does not exist. Yet, with this caveat in mind, Nikolai Kondratiev, the father of long cycles' theories,

[2] Dzhuchi Mikhailovich Tugan-Baranovsky (1948–2015) was a professor of history at the State University of Volgograd (Russia), an expert on the French Revolution, Napoleon Bonaparte campaigns, and on his own family, including his grandfather Mikhail Ivanovich. See his biographical account of his grandfather (Tugan-Baranovsky, 1997).

correctly asserted in the epigraph above that Tugan-Baranovsky was one of the most influential *Russian* economists in the *West*. According to Sorvina (2005), moreover, he is "the first Russian economist with a world-known name." Western economic literature is full of appraisals of Tugan-Baranovsky's achievements (most notably, but not only) in the theory of crises and cycles. From Werner Sombart calling Tugan-Baranovsky "the father of the new crises theory" (Sombart, 1904, p. 113) to John M. Keynes expressing his "strong sympathy with the school of writers — Tugan-Baranovski, Hull, Spiethoff and Schumpeter — of which Tugan-Baranovski was the first and most original" (Keynes, 1930, vol. 2, p. 100), through Arthur Spiethoff, Karl Kautsky, Eduard Bernstein, Jean Lescure, Albert Aftalion, Wesley Mitchell, Gustav Cassel, Dennis Robertson, Joseph Schumpeter, etc., the list is long and impressive.[3] Reconstructing a full list of those Western economists is not what concerns us here.[4]

Our objective is to observe the circulation of ideas from the West to Russia, and back again, in the case of Tugan-Baranovsky. Hence, section 2 looks at the Western impact on Tugan-Baranovsky, in particular on his education as an economist. Then, in order to observe how these ideas were adapted and transformed in the Russian context, and how they traveled back to the West, two case studies are chosen. The first stems from the publication of Tugan-Baranovsky's master dissertation on *Industrial crises in contemporary England, their causes and influences on national life* (Tugan-Baranovsky, 1894), in section 3. And the second dwells on his book *Theoretical foundations of Marxism* (Tugan-Baranovsky, 1905a, 1905b), in section 4.

2. The West as a source of inspiration

In order to study Tugan-Baranovsky's legacy, scholars have a wide range of secondary literature at their disposal. First, there is a handful of very good quality dictionary and encyclopaedia entries (see, among others, Avtonomov and Makasheva, 2016; Nove, 2008 and Crisp, 1968); there are a few bibliographies (especially Amato, 1980 and 1981), and one can easily find outstanding works of synthesis (like Makasheva, 2008; Bogomazov, 2006; Howard and King, 1990; Nove, 1970). There are many dissertations on him (among the earliest, Gringauz, 1928; Gotz, 1930; Kowal, 1965), especially since the 1990s. The secondary literature on Tugan-Baranovsky is huge,[5] and in recent times it has grown substantially in the West but particularly in the Russian and Ukrainian literature.

But if we seek a more contextual approach, our task grows harder. There are no personal archives of Tugan-Baranovsky, because both his huge library — about 40,000 volumes — and his personal papers were lost in 1917 during the First World War (taken by the Germans?),

[3] Such references can be found for instance in Beckmann (2005) or Barnett (2001).

[4] A similar list could be built for Japan, where Tugan-Baranovsky's works were quite early translated and widely discussed. For a bibliographical starting point, see Kojima (1975).

[5] I have myself contributed to these Tugan-Baranovsky's studies: see for instance Allisson (2011, 2014, 2015, chap. 4–5).

when Tugan-Baranovsky moved from St. Petersburg to Kiev to accept the position of Minister of Finance of the Ukrainian Central Rada. A researcher is then forced to collect scattered materials. A few researchers have dug and found interesting archival pieces here and there, like Tatarnikova (1991), Shirokorad (1996) or D. Tugan-Baranovsky (1997), and we are very grateful for the publication of such collections as *Unknown Tugan-Baranovsky* (Shirokorad & Dmitriev, 2008), which contains a lot of materials and especially letters found in the papers of Tugan-Baranovsky's contemporaries.

Tugan-Baranovsky did not bequeath to us an autobiography, so much of what we know of his life and contacts comes from his contemporaries, colleagues and, especially, students (like Kondratiev, Solncev, Klejnbort). It is therefore unsurprising that many facts about his life are found to be contradictory in the various published accounts, and every study about Tugan-Baranovsky is necessarily an impressionist piece of scholarship. For instance, according to his grandson, who had never met his grandfather, but who could recount numerous stories told by his father, there were many books in Mikhail Ivanovich's library with dedicated autographs, from people like Sombart, Bernstein, Kautsky, Bernard Shaw, Georgy Plekhanov, etc. and by just reading the autographs, you could track Tugan-Baranovsky's travels in Germany. Unfortunately, these books are lost.[6]

To take a significant example, it is difficult to know how his interest in political economy was born. It is well known that, as a schoolboy in the Kharkov gymnasium, Tugan-Baranovsky read and enjoyed Kant and Dostoyevsky — a Western and a Russian author.[7] Tugan-Baranovsky was chiefly interested in natural sciences, and after he finished the gymnasium in 1883, he first enrolled at the natural science department of the faculty of physics and mathematics at St. Petersburg Imperial University. After his arrest and expulsion for participating in a manifestation and for aligning himself with a group of students set on anti-imperial agitation, and after the exile in his native Kharkov province, he enrolled thanks to the active administrative help of his father at the University of Kharkov in the physico-mathematical faculty. He graduated from this institution in 1888, again in natural science. But, almost simultaneously, he studied as an external student in the law faculty where his interest in political economy first stirred. There he wrote a dissertation on "The causes of value" (1889), that is likely to have provided the basis of his first published work, "Study on the marginal utility of economic goods as the cause of their value" (Tugan-Baranovsky, 1890), which introduced marginalism in Russia.[8] But this part of his economic education, before he joined the University of Moscow to gain a *magister* degree in 1894, is not well known. We are aware that Ivan Yanzhul played an important role in the formation of Tugan-Baranovsky in

[6] Fortunately, the reverse is not always true: Tugan-Baranovsky's books survived, with annotations, within Plekhanov's personal library, as exhibited online at the National Library of Russia in St. Petersburg (see http://nlr.ru/exib/Lenin/len-baran.html).

[7] Both authors would remain very important to him, and he would return to them. See Makasheva (2008).

[8] On marginalism in Russia, see Allisson (2015, chap. 3) and Makasheva (2009). So far, it is unknown to me if the 1889 dissertation subsists somewhere.

Kharkov. But nothing is known, for instance, of the possible role of Grigory Cekhanoveckij, then also professor of political economy at the University of Kharkov.[9]

Tugan-Baranovsky traveled a lot in his life. For his studies, he moved from the province of Kharkov to Petersburg, then was exiled back to Kharkov, then moved to Moscow, and eventually spent 6 months in London in 1892. From there, back to Moscow, then St. Petersburg starting from 1895, then exiled anew in 1901, in Lokhvica in the province of Poltava (nearby Kiev), in the region of his second wife and of his mother, and then back to St. Petersburg in 1905. Finally, a third exile began in St. Petersburg in 1917, the last and the first chosen: Kiev and around, for the last two years of his life. We also know that he traveled to France (where he met his first wife — on the Eiffel Tower! — Lidya Karlovna Davydova), to Italy (after marriage to his second wife — Olga Fedorovna Rusinova), and we have ample proof of his presence in Germany, especially in connection with his editorial and publishing affairs. So, while he spent most of his time in the Russian empire, he traveled to Western Europe quite often, and at a certain point in his life, in 1904, he even thought of moving definitely to Germany where he felt more understood.[10] As Tugan-Baranovsky lived only until he was 54, it is unknown if he would have settled definitively in the Ukraine, or if he would have exiled himself once again, in Western Europe, as sometimes suggested in the literature.

Tugan-Baranovsky was known for his proficiency in several foreign languages. According to his quotation practices, and translation experience, he must have mastered German and English, and had a more passive understanding of French and Italian, at least. His 6-months stay in London, at the library of the British Museum, was formative in terms of his knowledge of English. There, in spring and summer 1892, he gathered materials for his *magister* dissertation on *Industrial crises in contemporary England*… (Tugan-Baranovsky, 1894) and worked on the English so-called Blue Books (official documents, often from the Parliament, containing statistics), published works of parliamentary commissions, various statistics, that he supplemented with research at two libraries in St. Petersburg (Tugan-Baranovsky, 1894, p. ii). His idea to travel to England to gather materials from the library of the British Museum for a dissertation on political economy about the British economy should not be seen as anything extraordinary. It was even considered standard. To take just two examples, Yanzhul himself wrote a dissertation (published in 1874) on the history of the system of English excises, with materials collected in the library of the British Museum and in the Royal Library of Munich, and Aleksandr Manuilov published in 1895 a dissertation on the rent on land in Ireland, with stays at the British Museum and in Ireland. What was becoming less typical in Tugan-Baranovsky's time was the necessity to complete education abroad after the

[9] Cekhanoveckij was also one of the teachers of Nikolaj Sieber two decades earlier in Kiev. On Cekhanoveckij, see Allisson et al. (2020, pp. 301–302).

[10] As it is apparent from his letters to Aleksandr Kaufman, at the time he was in Lokhvica, in 1901–1905 (Shirokorad and Dmitriev, 2008, pp. 48–112).

dissertation, as did many Russians with state-sponsored grants in the 1860s and 1870s.[11]

Regarding the German language, Tugan-Baranovsky concluded in 1904: "In German, I now write quite satisfactorily."[12] The injunctions to write in German seemed frequent at the time, as Ladislaus von Bortkiewicz, Russian economist and statistician established as an extraordinary professor in Berlin, told his friend Alexander A. Chuprov in 1904, who was still settled in Russia but not for long:

> You are right to notice that such works as Dmitriev's *Essays* in Russia went unnoticed. But this will also apply to your notes in your Institute's *Izvestia*. My advice: write on such topics […] in German! […] And no need to worry about the language. According to my observations, even Tugan-Baranovsky's German style satisfies the vast majority of readers. (Bortkiewicz to Chuprov, in Sheynin, 2015, letter 75)

While many of Tugan-Baranovsky's works were translated into foreign languages during his lifetime (into German, French, English, Spanish, Czech, Ukrainian), Tugan-Baranovsky supervised the French editions of his work, and often himself translated the German ones. Among Western languages, only in German, or almost, did Tugan-Baranovsky have an independent publishing activity. In fact, from the beginning of the 20th century, his bilingual publications were almost always first published in German, and then translated by him into Russian. In Germany, he collaborated with such journals or encyclopaedias as Sombart's *Archiv für Sozialwissenschaft und Sozialpolitik*, Kautsky's *Die Neue Zeit*, Wilhelm Lexis's *Handwörterbuch des Staatswissenschaften*, or Heinrich Braun's *Archiv für soziale Gesetzgebung und Statistik* and *Annalen für soziale Politik und Gesetzgebung*.

The fact that Western authors and ideas influenced him is apparent from his publishing records, where he devoted many studies to individual Western economists. For instance, he published two biographies for Pavlenkov's popular biographical series "lives of remarkable people": on Pierre-Joseph Proudhon (1891) and on John Stuart Mill (1892). Between 1901 and 1902, he published a series of articles in the journal *Mir Bozhij* dedicated to Adam Smith, Thomas Robert Malthus, David Ricardo, Robert Owen, Henri de Saint-Simon, Charles Fourier, Jean C. L. Simonde Sismondi, Johann K. Rodbertus, Karl Marx, the Austrian School, etc. that were collected in a successful book, *Essays in the newest history of political economy* (Tugan-Baranovsky, 1903, in Russian) that went through several editions. His readings of foreign economists in the original language ranged much more widely than the canons of classical political economy: he was up to date on the latest developments of the German historical school, of the writings of the second generation of Austrian marginalists, of German and Austro-Marxists, of so-called later utopians (Constantin Pecqueur, William Thompson), of German Neokantianism (Windelband, Rickert), of psycho-physics (Wilhelm Wundt, Ernst Heinrich Weber, Gustav Theodor Fechner), etc.[13] His readings were

[11] On the case of Alexander I. Chuprov, Yanzhul, Sieber, etc., see Masoero (1995).
[12] Letter no 11 from Tugan-Baranovsky to Kaufman, in Shirokorad and Dmitriev (2008, p. 98).
[13] Comparatively, he devoted far fewer essays (except for obituaries and polemical texts) to Russian thought; Fyodor Dostoyevsky and Nikolay Chernyshevsky being notable exceptions.

nevertheless more German and English than French or Italian.

Eventually, Tugan-Baranovsky was involved in several translations projects: he supervised in 1896 the translation of Henry George's *Progress and poverty* into Russian; he translated and introduced in 1897 some chosen texts of John Eliott Cairnes; he translated in 1900 Georges Blondel's *L'essor industriel et commercial du peuple allemand*; he prefaced the 1901 Russian translation of Sombart's articles on the organization of labor, and in 1909 he published an authorized translation, with a preface, of Böhm-Bawerk's second edition of *Kapital und Kapitalzins*, and he prefaced the Russian translation of Karl Vorländer's texts on Kant and Marx. All this shows the significant involvement of Tugan-Baranovsky in the importation of foreign, and especially Western, thought. These influences are found back in his own works. His popular and award-winning textbook, *Foundations of political economy* (Tugan-Baranovsky, 1909), several times re-edited, contains in his bibliographical supplements to each chapter a quite impressive range of influences (also with a subsection containing specifically Russian literature). All in all, what has been said in this section shows how much Tugan-Baranovsky owed to Western thought.

3. The reception of *Industrial crises in contemporary England*

It is a normal fate in the sphere of academia that an author's intentions in terms of audience rarely meet expectations. The success of Tugan-Baranovsky's books in the West is indisputable, but his intentions have scarcely been followed by his readers. Let me explain what I have in mind with the following two case studies. First, his book *Industrial crises in contemporary England*… was written and intended for a Russian audience, but the book was destined to be mainly recognized abroad (see below). Eventually, the reputation of the work abroad played a role in its success in Russia. Second, his book *Theoretical foundations of Marxism*, published in both German and Russian (Tugan-Baranovsky, 1905a, 1905b), was intended first and foremost for a German audience, but it went through successive editions only in Russian (see next section).

The reception of Tugan-Baranovsky's book on crises in the West is contingent, for linguistic reasons, on the existence of editions that circulated in the West: mainly, during Tugan-Baranovsky's life, the German 1901 and the French 1913 editions. The absence of an English edition is also important in this story. It is therefore necessary to understand the history behind these various editions.

The book *Industrial crises in contemporary England, their causes and influences on national life*, published in Russian in 1894, is the result of almost four years of work in London and in St. Petersburg, to complete a magister dissertation at the University of Moscow. The book is organized in two parts. The first part (history of crises) deals with a lot of empirical material about the history of English crises in the 19th century and their social consequences (9 chapters). The second part (theory of crises) contains only two chapters. One about the "theory of markets," the other about the "theory of crises."

The first of these theoretical chapters ("theory of markets") contains Tugan-Baranovsky's explanation of the possibility of crises, caused by the capitalist anarchy in production, the tendency towards infinite accumulation of capital, and the key argument of disproportionality between sectors of production. It is in this chapter that Tugan-Baranovsky provided the bases of his path-breaking "revisionist" contributions to the field of Marxian economics, with his absolutely novel use of Marx's schemes of expanded reproduction, to which he added a third sector for luxury consumption of goods, and which he used in subsequent publications — for criticizing the labor theory of value, the law of the tendency of the rate of profit to fall, and even to find a solution to the transformation of prices of production to labor value — gathered in his *Theoretical foundations of Marxism*.

The second chapter ("theory of crises") contains his ground-breaking explanation of the different phases of the capitalistic cycle, and of the recurrence and periodicity of crises with the use of various mechanisms, including the cyclical fluctuations of free loanable capital in the banking sector. The two chapters together form Tugan-Baranovsky's theory: crises occur for causes that lie in the theory of markets, and their periodicity is explained as part of a capitalistic cycle.[14]

The second Russian edition appeared in 1900, under the title *Industrial crises* (Tugan-Baranovsky, 1900). It is still divided into two parts, but differently. The first part ("theory and history of crises") starts with the chapter on the theory of markets, then proceeds in four chapters to an updated history of crises, and eventually ends with the chapter on the theory of the periodicity of crises. The second part ("social importance of crises") now takes four full chapters and is much more developed. All in all, about two thirds of the book were new for the reader.

The first German edition of the book appeared in 1901. But before this publication, a long paper appeared in German, containing parts of the 1900 Russian and 1901 German editions on the social consequences of crises (Tugan-Baranovsky, 1899a). The full German edition was published in Jena by Gustav Fisher, under the title *Studien zur Theorie und Geschichte der Handelskrisen in England* (Tugan-Baranovsky, 1901). The edition had the same structure as the 1900 Russian edition, except for the inclusion of two new theoretical chapters at the end of the first part: one containing a critique of under-consumption theories of crises (Sismondi, Hobson, Dühring, Herkner), and another one on Marx's theory of crises, containing a critique of the theory of labor value and of the law of the tendency of the rate of profit to fall.[15]

Then in 1913 the French edition arrived, entitled *Les crises industrielles en Angleterre* (Tugan-Baranovsky, 1913), indicated as translated by Joseph Schapiro from the 2nd Russian edition, enlarged and improved by the author. It is, in fact, virtually a third edition. The third Russian

[14] For a presentation of Tugan-Baranovsky's theory of crises, see Hagemann (1999, pp. 91–97). For the link between the theory of markets and the theory of crises, and the controversies it raised, see Besomi (2006).

[15] This last chapter, on Marx's theory of crises, has been recently translated into English. See Tugan-Baranovsky (2000b).

edition is published in 1914 under the title *Periodic industrial crises* (Tugan-Baranovsky, 1914). Structurally, the 1913 and 1914 editions are almost identical, with three parts: the first part ("history of crises") retraces the history of crises until the end of the 1900 decade. The second part ("theory of crises") now contains 6 theoretical chapters in the Russian edition (1. Circulation of social capital, 2. Theories of markets of the classical school, 3. Theories of markets of Malthus-Sismondi and of the Marxian school, 4. Solution to the theory of markets, 5. Theory of crises, 6. Causes of the periodicity of crises), organized in three chapters in the French edition. Finally, the third part ("social consequences of crises") contains five chapters.

It is necessary to add something on the absence of a full English translation of any edition,[16] as it impeded the early diffusion of his work, which proceeded more indirectly in the Anglo-Saxon world, through the French rather than the German edition. In 1954, there was a partial translation of some theoretical chapters of the third Russian edition: chapters 1, 5 and 6 of the second part mentioned above (Tugan-Baranovsky, 1954), and in 2000, there was a translation of two theoretical chapters from the German 1901 edition: on the theory of markets, and on Marx's theory of crises.[17] The English reader is still waiting for a complete edition, and the present author is actually even dreaming of a complete, multilingual variorum edition.

From the first to the third Russian editions — even if not explicitly stated — there have always been three parts in this work: a historical part, a theoretical part, and a part on the social consequences of the crises. These three parts became explicitly autonomous in the structure of the book only in the last, 3rd Russian edition, and in the French edition. The historical part has been constantly updated to include new facts, but has also been rewritten at the margin. The part on the social consequences of the crises has been much updated for the 2nd Russian edition, and was only slightly revised afterwards. The theoretical part underwent the most important modifications. As mentioned above, it has always considered two aspects. For Tugan-Baranovsky, both the theory of markets and the theory of crises are necessary, and they are genetically linked. In the various editions, the theory of markets was improved in a defensive way: because of reactions against it, it has been clarified, and deepened with a historical excursus in the theory. The theory of crises did not meet such resistance: it developed its way from an attempt to discover the reasons behind the periodicity of crises in the 19th century (and in the historical parts, to describe the various crises in their singularity) to an understanding of the crisis as a phase of a capitalistic cycle up to a full endogenous theory of the cycle as a feature of capitalism (and in the historical parts, it tended

[16] Apart from English, among the posthumous editions (not in the bibliography below), there has been a fourth (1923) and a fifth Russian edition (1997, reprinted in 2008), some German re-editions and reprints (1969, 2018), and notably two Japanese translations (in 1931 based on the French edition, in 1972 based on the German edition).

[17] See Tugan-Baranovsky (2000a, 2000b) and the preface to their translations (Ramos-Martínez, 2000).

to concentrate a bit more on the common features between the crises).[18]

How was Tugan-Baranovsky's book received in the West? In a nutshell, the theory of crises attracted almost no attention in Russia, while it quickly started to disseminate in Germany, even before the German edition. As early as 1895, there was already a mention of this theory in a book by Bergmann (1895, p. 438). This cannot be explained except by the existence of a longstanding collaboration between the German and Russian academic worlds (Rieter et al., 2005). The Western economic academic world was lacking a proper theory to explain the recurrence and the periodicity of crises, and it found in Tugan-Baranovsky exactly what it needed, in terms of internal theoretical developments. Parts and parcels served as the basis of important further developments: in the German-speaking world, with Bernstein, Spiethoff, Emil Lederer, Rudolf Hilferding, Sombart, and Schumpeter; in France, with Lescure and Aftalion; in Sweden with Cassel and Knut Wicksell, and later, more indirectly, in the Anglo-Saxon world, with Ralph G. Hawtrey, Keynes, Mitchell, Robertson, Michał Kalecki; etc.[19]

As far as the theory of markets is concerned, it was either ignored or criticized in the West. On the contrary, it was hotly debated in Russia, and more generally in politically engaged Marxist circles. In the Preface to his 2nd edition, Tugan-Baranovsky complained: "This theory [of markets] did not draw any attention on it at first, but in recent years, it has sparked a very lively controversy" (Tugan-Baranovsky, 1900a, p. i). His theory was either harshly criticized (for instance by Nikolai Bukharin, Vladimir Lenin, Rosa Luxemburg), or critically discussed (for instance by Kautsky, Bernstein, Hilferding, Sergei Bulgakov). The severest criticisms gave birth to alternative developments, and in this sense, the book was powerfully influential, even in a negative sense.[20]

Clearly, for Tugan-Baranovsky, this must have been a surprise. For him, his book was studying England only insofar as it contributed to Russian debates on whether Russia was following the Western path. As a Westernizer himself, at least in this part of his life, he was convinced that Russia was undergoing the same patterns as England, only with a lag. In his Preface to the 1st Russian edition, Tugan-Baranovsky asserted that his book was intended to understand the Russian economy, through a circumvolution:

> Russian economists are often reproached for taking topics outside of the Russian life for their work. One cannot disagree with the thought underlying these reproaches. Without any doubt, the task of Russian economic science consists mainly in studying the phenomena of the Russian economy. But very often, for the understanding of one's own country, it is useful to turn oneself towards other countries, and in this regard, England is the most instructive. (Tugan-Baranovsky, 1894, p. i)

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[18] This evolution can be followed in parallel with the different entries on "Economic crises" in the Brockhaus–Efron encyclopedic dictionary, written by Tugan-Baranovsky in 1895, 1909 and 1915. See Allisson (2011).

[19] All this has already been documented with great care in the literature, notably by Beckmann (2005), Zweynert (2002, ch. 5.5.5–5.5.6), Reijnders (1998), etc.

[20] Again, this has also been carefully studied, by Milios and Sotiropoulos (2007), Beckmann (2005), Howard and King (1990), Amato (1984), etc.

With his contribution to the history and theory of English crises, Tugan-Baranovsky intended to reach a Russian audience. And his creativity in producing thep theory, which was to earn him worldwide fame, was only an unintentional by-product. It took time for the Russian public to understand the message, and this not really until the publication of his doctoral dissertation on *The Russian factory in the past and present* (Tugan-Baranovsky, 1898, in Russian), where it became clear that the vision of recurring industrial crises was starting to take place in Russia, as it had done earlier in England. With *The Russian factory*…, Tugan-Baranovsky transformed his "Western" *Industrial crises* for a Russian reader. But the unintended fame of *Industrial crises* was already there in the West…

4. The reception of *Theoretical foundations of Marxism*

After his incursion into the theory of Marxism, already in 1894, Tugan-Baranovsky entered into serious controversies about Marxism. In a series of 6–7 articles in Russian, starting from "The fundamental error in Marx's abstract theory of capitalism" (Tugan-Baranovsky, 1899b) and "Labour value and profit. To my critics" (Tugan-Baranovsky, 1900b), and ending in 1904 with a paper in German on "Der Zusammenbruch der kapitalistischen Wirtschaftsordnung im Lichte der nationalökonomischen Theorie" (1904), Tugan-Baranovsky constructed a whole criticism of Marxism: first by questioning the very notion of materialism and social classes, by criticizing the notion of surplus value and of the labor theory of value, and by offering a devastating knock to the falling rate of profit. In those developments, he introduced his own ideas: Kant as an ethical viewpoint, the need to consider the psychological and subjective factors in history, the notion of absolute costs, his ideas about the productivity of labor, the distribution of income, etc.[21]

The arguments of these articles entered Tugan-Baranovsky's book, *Theoretical foundations of Marxism*, published in 1905 in both Russian and German. Instead of publishing it in Russian, and then translating it into German, as he had done with his book on crises in 1900–1901, Tugan-Baranovsky reversed the sequence. By the end of 1903, he remarked that "recently, my works have received more attention abroad than in Russia," and therefore decided not to rush to publish his critical book on Marx in Russian, but waited to get a German edition as well.[22] He had the idea of going to Germany and first getting it published into German, before coming back to Russia to get it published in Russian. In 1904, he repeated to his correspondent: "I want to release this [German edition of the] book because in the German literature my books are currently receiving much more attention and interest than in Russia."[23] In November 1904, Bortkiewicz informs his colleague Chuprov about the

[21] On the reception of the later *Soziale Theorie der Verteilung* (published also in German and in Russian), see Pokidchenko (2019). More generally on Tugan-Baranovsky's critique of Marx, see Howard and King (1990).
[22] Letter no. 8 from Tugan-Baranovsky to Kaufman, 29 November 1903, in Shirokorad and Dmitriev (2008, p. 87).
[23] Letter no. 9 from Tugan-Baranovsky to Kaufman, in Shirokorad and Dmitriev (2008, p. 89).

presence of Tugan-Baranovsky in Germany: "Lately, many Russian guests have visited me; at the present time, Tugan-Baranovsky is here [in Berlin]. He is publishing his work on Marx in German."[24]

Eventually, the German book was published at the beginning of 1905 in Germany, with a preface dated November 13, 1904. In Russian, the book has also been published in 1905, but a bit later, with a preface dated February 20, 1905. With his *Theoretical foundations of Marxism*, Tugan-Baranovsky changed his strategy: he was writing a book for a German audience, much more versed in Marxian literature than the Russian public, only interested — so he thought — in sterile controversies. But a detailed study on the differences between both editions even reveals something more:

> Interestingly, a comparative analysis of the Russian and German texts reveals a number of discrepancies in the presentation of the same issues, as well as the absence of some portions of texts in the German, and reversely, in the Russian editions. This is due to Tugan-Baranovsky's understanding of the difference in the level of preparedness of the Russian and German audiences for understanding the teachings of Marx: if in Russia the works of Marx were habitually interpreted in an orthodox way, and the critique of its propositions was excluded, in Germany, such critique was commonplace. (Eremenko, 2009, p. 178)

Tugan-Baranovsky adapted the book to both audiences, anticipating, however, a better understanding in Germany. The differences between the two books mainly concerned the philosophical part of the book, and, because of censorship, also political and revolutionary considerations. But was his overall appreciation correctly headed? As he himself recognized in his letters to Kaufman, Marxism was also becoming an interesting topic in Russia. A second Russian edition was already needed in 1905, prefaced on June 30, 1905, and a third edition was released, with some modifications, in 1906, with a short preface dated April 12, 1906. In contrast, no further German edition was needed. Of course, the book was discussed in Germany, and even appreciated by some (more by Bernstein than by Kautsky, for instance). But in Russia, even as a turnoff, it proved much more discussed.

It is somewhat ironic that the only economist who was going to bring this book to posterity, by emphasizing and developing its analyses of value, of the tendency of the rate of profit to fall and, above all, its use of reproduction schemes in the transformation of prices of production to labor value… was Bortkiewicz, the Russian economist in Germany, who had the choice between the two editions and was, perhaps in part because of that, the ideal audience for this work.[25]

5. Conclusion

[24] Letter from Bortkiewicz to Chuprov, Letter 77, 17.11.1904, in Sheynin (2005).

[25] See Bortkiewicz (1906–1907), in which he also brought the attention to Dmitriev (1904) to the German audience.

Tugan-Baranovsky was without doubt one of the greatest economists of his time. As far as his education was concerned, he was a real Westernizer. And his works did acquire an enduring fame in the West. But the relationships between his own intentions, in terms of audience, have often been contradicted by the facts. He was thinking of writing for the Russians, and his work became famous in the West. Then, when his relations with the Russian public became more strained, he intended to write for the Western audience, but he was more welcome in Russia. He was probably more in sync with the Russian public than he thought. But, anyway, his skills were destined to be appreciated by an international audience.

Personally, I find that Tugan-Baranovsky showed himself at its best, both as a researcher and as a teacher, in his textbook, *Foundations of political economy* (Tugan-Baranovsky, 1909). There, he could offer his thoughts to one of his favorite audiences — his students. There, he brought together all the influences, most from the West, in a very personal way, to which no public was perhaps prepared. I bet that it is no coincidence that this book was never translated in the West during Tugan-Baranovsky's own life. And this is unfortunate that this has not been done until now. Maybe the audience is still not ready, but it would eventually allow a comprehensive return to the West, of all that Tugan-Baranovsky borrowed from it.

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