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The Information Black Market

By Konstantin Sonin

Can economics teach us a lesson on how to teach history? It turns out that it can.

There is a law in economics stating that when suppliers cannot meet the demand of consumers for whatever reason, this results in deficits and the emergence of a black market. All attempts to fight against deficits without increasing supply only lead to even higher black market prices.

Twenty years ago, this was true of practically every consumer good, although the greatest deficit during Soviet times was not in goods, but in information. Limited access to economic, political and historical information -- so important for government institutions to operate effectively -- had a harmful impact on society in general, even if it did not directly affect everyday life. And just like the consumer markets, the deficit of historical information led to a black market in which true information -- so anathema to the Communist authorities -- was combined with some astonishing myths.

President Vladimir Putin's remarks in June regarding history textbooks that are funded by foreign grants demonstrates that he doesn't understand the real problem. A significant part of Russia's history has been written by foreigners. What's more, only foreigners have critically examined Russian history, the greater part of which is known through foreign works only.

It would be impossible to imagine an academic course covering, for example, the history of Russian economics in the 20th century, without including the work of Alexander Gerschenkron, Alex Nove, Gregory Grossmann, Abraham Bergson and Paula Gregory -- and that is just the tip of the iceberg. Russia has not produced anything even close to this level of scholarship, nor does it have a higher school of economics with economic historians who could write books of comparable quality. I cannot speak about other fields, but in the historical sciences, Russia is lagging behind the West -- perhaps by decades.

All of the talk about an "anti-Russian bias" in foreign works smacks of populism; professional, highly qualified historians have higher standards than this. The main problem is not that corrections need to be made to textbooks, as some assert. To produce a qualified and meaningful discussion on Russia's history, it is not enough to attract patriots. They must be highly qualified specialists in history. In the same way, showing love for a patient is not enough to treat him; the doctor must have a specialized medical education.

But let us return to the black market. History, like other humanitarian sciences, is enriched not by a unanimous interpretation of facts and events, but by the constant clash of differing views and alternative approaches.

For example, the question as to when and on which side Russia joined World War II proves this point. The debate is whether Russia entered the war when its forces crossed the Polish border on Sept. 17, 1939, or when German forces crossed Russia's border on June 22, 1941. It would be impossible to understand history without knowing both arguments.

But everyone, including the president, should know that choosing one date and one argument over the other can't solve the issue. Any effort to force a particular interpretation on people -- even the most patriotic -- will only lead to a greater desire to obtain alternative information on the black market.

And, when all of this information is mixed together, who will know how much of it is true and how much is false?

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