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RESEARCH ARTICLE

Understanding the timing and outcome of the Russian Revolution: a public choice approach

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The October Revolution in Russia is better understood in light of Gordon Tullock's by-product theory of revolution. This approach entails a focus on private costs and benefits rather than on public goods. It is shown that in terms of economic development, fiscal stability, and income distribution, that is, public goods, conditions in late-tsarist Russia were improving, not deteriorating, as the revolution approached. We reinterpret the impact of the many political concessions that followed the earlier Russian Revolution of 1905 and conclude that they had ultimately increased, rather than decreased, the probability of revolution. Finally, we show that various forms of foreign intervention (financial, military, and philosophical) made the unlikely Lenin the ultimate victor in the outcome of the Russian Revolution.

Key words Russian Revolution • Tullock's by-product theory of revolution • public and private goods • public finance and revolution • public choice analysis of war and revolution

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Introduction

The Russian revolutionary period lasted from 1905 until the early 1920s and included three distinct revolutionary episodes: one in 1905 and two in 1917. Following the English, American, French, and other revolutions, it marked the final phase of the anti-monarchist revolutionary period that swept across Europe and the New World. As with any revolution, the Russian revolutions were reactions to past and current realities, and were conditioned by existing ideologies. The third revolution, often

referred to as the October Revolution—though it was an extension of the revolution that began with workers' strikes in February and the subsequent abdication of Tsar Nicholas II in March—resulted in a coup d'état by the hitherto relatively small Bolshevik party led by Vladimir Lenin and ushered in a six-year civil war that would be ultimately won by the Bolsheviks and their supporters.

Multiple causes of the October Revolution and its outcomes have been advanced by historians, sociologists, and political scientists. Here, we supply an interpretation based in public choice theory, highlighting internal and external factors that resulted in some otherwise-unlikely results. The factors themselves are not unique to our interpretation; they are elements in common to many interpretations of revolution. However, we argue, following Gordon Tullock (1971; 1974), that revolutions and the factors that influence their direction are, to a large extent, a function of the private costs and benefits that revolutionaries, potential revolutionaries, and their supporters (financial, political, and so on) face rather than of the public costs and benefits that are often cited. Individuals are less concerned with increasing the supply of public goods or reducing public bads than with a cost-benefit calculus of how certain events might affect their own position in the economy and in society. The purpose here is not to replace previous interpretations of the causes and consequences of the Russian Revolution but, rather, to provide a complementary understanding of them. Specifically, we analyze how events are likely to have impacted the private costs and benefits of revolutionary activity, and, in doing so, provide a better-fitting story of the October Revolution's evolution and timing.

Tullock's theoretical construct and public choice theory also provide a window into the devolution of market ideology to central planning. While the revolution was not caused by a socialist uprising of the masses, as commonly portrayed, Marxist ideology drove some revolutionaries to attempt implementation of Marx's economic ideas. However, it was not ideological politics but private interests that paved the way from Marxist-based politics to autocratic socialism. In other words, there is an interplay between ideologically based politics and interest-based politics, as outlined by Boettke (1992) and Roberts (1990 [1971]). Roberts (1990 [1971]: 45) notes that “[t]he modern rationale for central planning—that it achieves rapid industrialization—is not the original Marxian rationale and formed after the original Marxian program was frustrated by a refractory reality.” The complex devolution from Bolshevism to Leninism (and socialist calculation problems) may be interpreted using Tullock's approach, and although we do not specifically address matters of calculation in the present article, we do provide a framework to understand the interplay of ideas and interests that characterize the Russian Revolution's causes and consequences.

Background and literature review

There was revolutionary activity in Russia for much of the century preceding the decisive period in the early 1900s, dating back at least to the Decembrist Revolt of 1825 and indeed throughout the Romanov Dynasty's 314-year reign. However, although this sporadic activity influenced the revolutionary culture that fueled the events of 1905–20,² it never resulted in anything close to the drastic changes in governance that occurred throughout the latter period. By 1905, serious discussion of Russian society was almost invariably bound to the likelihood and outcome of

an anticipated large-scale revolution. Despite the efforts of mildly reformist Tsar Nicholas II and appointed technocrats, such as Sergei Witte and Pyotr Stolypin, these portents quickly turned into reality.

In January 1905, a group of demonstrators marched on the Winter Palace in St Petersburg and were fired upon by soldiers of the Imperial Guard. Reaction to this event, known as Bloody Sunday or Red Sunday, led to widespread protests and a general strike that paralyzed the nation. Eventually, Tsar Nicholas was forced to grant a series of reforms outlined by Witte's October Manifesto, though the tsar never fully accepted the legitimacy of the reforms. This revision of Russia's Fundamental Law did not stop revolutionary activity, however, and unrest continued, culminating in the 1911 assassination of the land reformer Stolypin. By the time Russia entered the First World War in 1914, revolutionary pressures were again high. Only a brief respite of nationalist feeling in the early war effort forestalled what many commentators had come to see as inevitable, the transformation of Russia from an autocracy into either a constitutional monarchy or a republic. In 1917, this transformation came to fruition, starting with protests that forced the tsar to abdicate in March and then the Bolshevik takeover in October. The set of events that put the Bolsheviks in power have come to be known as the October Revolution.

The revolutions of 1905 and 1917 have been extensively studied by historians and others. Standard interpretations of these revolutions suggest they were the result of some combination of oppression of the peasantry, denial of individual and group rights by the tsarist regime, the backwardness of the economy, and a wildly skewed income distribution. Rampant governmental corruption and inefficiency is also cited as a factor. Further, almost everyone agrees that disastrous military campaigns during the First World War set the conditions for the October Revolution.

We focus in this article on the causes and consequences of the October Revolution. Our approach draws from previous work that has highlighted the role of private interests in determining these causes and consequences. For example, McAdams (2018) shows that while Communist Party leaders beginning with Lenin had a public image of fighting for the people against exploitation and income inequality, they enacted ruthless battles against individuals and factions, acting in their self-interest, and their victories often resulted in brutal dictatorships, with far fewer rights and other public benefits than their rhetoric promised. By comparison, political actions in capitalist countries are more obviously battles of self-interest, though usually less violent. The public choice approach we employ here suggests that the root of both everyday and revolutionary political activities can ultimately be traced to the cost-benefit analysis made by private individuals, acting on a broad array of interests; from the standpoint of public choice, the same factors ultimately drive both violent revolutions and (relatively) peaceful interest-driven politics.

In asserting a primary role for private costs and benefits in providing the impetus and direction for the October Revolution, we are not trying to supplant or deny the importance of ideas in the revolutionary context. Indeed, competing ideas are expressions of the competition between underlying interests themselves, and their role is crucial. Instead, we are focusing on the principle that ideas are, more often than not, malleable in the face of private interests; they are best thought of as tools for persuading others that their interests are aligned with one's own. For example, research in economic history has clearly established the role of private interests in the Glorious Revolution in England and the French Revolution (see, for example,

North and Weingast, 1989; Sargent and Velde, 1995), both of which were justified by contemporaries as revolutions of the general rights of the populace against those of a privileged aristocracy. The current article can be seen as an extension of this approach.

We are particularly motivated by the chain of events that caused the October Revolution to have the surprising outcome that it did. Historically, uncertainty regarding the ultimate impacts of revolutionary actions should give pause to both incumbents and potential revolutionaries, and, even more, to foreign powers who seek to intervene in a revolution. Consider, for example, that French intervention in the American Revolution may have later helped propel the French Revolution forward financially and ideologically.³ The French Revolution itself seemed initially headed for the liberal result of smaller government, democracy, religious toleration, and a classless society. Instead, it ended with the Reign of Terror and the devastating military rampages of Napoleon across most of Europe. The October Revolution had a similar initial trajectory toward a more liberal result, first with the ascendance of the Constitutional Democratic (Kadet) Party and then with the Mensheviks, only to end with a ruthless Bolshevik dictatorship.

We find that while important internal forces increased the probability of revolution, there were also external forces that affected private costs and benefits, and had a crucial role in precipitating the final result. A modern debate within political science analyzes autocracy with the opposing concepts of structure and agency. Regime transition is described with an agency dimension emphasizing the role of individuals' cost-benefit calculations. Treisman (2020) suggests that autocracies fall not only because of structural preconditions but also because leaders make erroneous decisions. People in positions of power, for example, do not choose democracy so much as make mistakes in trying to thwart opposition to their preferred polity. Democracy is often brought about because these mistakes create institutions and incentives that make it a stable, long-run outcome, not because of an ideological commitment to inclusive governance.⁴

Such writers as Vladimir Lenin (1992 [1917]), Leon Trotsky (2000 [1930]), Richard Pipes (1990), Orlando Figes (1996), and others have investigated various aspects of the October Revolution. Such investigations include biographical accounts of the participants and journalists, detailed accounts of discrete phases within the overall revolutionary period, and histories of all the distinct ideological groups that participated. As noted by sociologists Osinsky and Eloranta (2014), a multitude of contemporary social scientists identify war as the essential force in the formation of states (see, for example, Tilly, 1975; 1992; Kolko, 1994; Ferguson, 1999). For their part, Osinsky and Eloranta (2014: 321) maintain that "war was a primary cause, condition, and context of the paradigmatic communist revolutions. To put simply, [without] mass mobilization war, [there would be] no communist revolution, especially in a large country."

Tilly's (1975; 1992) "bellocentric" theory of state formation can be summarized by his phrase "[w]ar made the state, and the state made war," and his proposed relation between war and state building can certainly find support in the work of others like Brewer (1989) and Higgs (2012). James (1987), Starr (1994), and others have extended this line of analysis to the relation between war and revolution. Unfortunately, although these analyses do an excellent job of establishing a relationship between wars and the general form of modern, European nation states, and of accounting for variation in the development of these states, they do not establish a firm relationship

between wars and revolutions and the particular forms of governance that prevail; instead, we must look to the characteristics of particular instances of revolutionary transition to establish the cause of such variance in governance outcomes. In fact, few historians and sociologists offer war-centered theories of revolution in general, though war figured centrally in both the Russian Revolution of 1905 (Japanese War of 1904–05) and the Russian Revolution of 1917 (First World War). The reason for this is that wars are ubiquitous, so that particular relationships between war and revolution are hard to establish.⁵ Further, although an underdeveloped economy, badly skewed distribution of income, oppression, and corruption were certainly factors in the Russian Revolutions, they cannot explain their timing or particular features. Such conditions existed in many countries in the 20th century without causing revolution. Thus, the operative question is why the revolutions occurred when they did, and in the way they did, in early 20th-century Russia.

The economics literature already contains important analogies to our emphasis on private interests driving revolutions. Such economists as North and Weingast (1989) and Sargent and Velde (1995) have produced well-cited economic analyses of the English and French Revolutions, respectively. Acemoglu and Robinson (2006) emphasize conditions under which democracy is brought about to forestall revolution. Collier and Hoeffler (2004), studying civil wars between 1960 and 1999, conclude that while such factors as inequality and cultural division may help cause revolutions, economic variables (relating to benefits and costs) are more strongly related to the viability of revolution. Dempster (2006) ties the Russian Revolutions of 1905 and 1917 to the ability of opposition interests to pressure a regime under severe fiscal constraints. Likewise, Ekelund and Thornton (2020) construct a novel quasi-Marxist explanation of the French Revolution that contrasts sharply with the current standard structural interpretations in history and political science.

Building on these agency-based approaches, we provide a context for the impact of external factors, such as the intervention of the world's leading governments, militaries, and even business communities, in the Russian revolutionary story. For example, Malik (2018) shows that Western bankers' financing of the tsarist regime, in a profitable effort to help develop the Russian economy, created image and financial problems that the regime's various opponents would use against the tsar. It is vital to note that none of these interventions achieved their desired result; rather, they ultimately resulted in something like the opposite of what the intervening parties wanted. Nonetheless, this is an example of how private interests drove the dynamics of the revolution.

Finally, there has already been a significant literature developed in both economics and political science around the interplay of ideology and interest-group politics in the subsequent development of the Soviet economy after the revolution. Roberts (1990 [1971]) and Boettke (1990; 1993) were influential in exploding the myth of rational planning in the Soviet economy and instead demonstrated the evolution of the ideological aims of Marxism into an elite-driven, interest-group politics that substituted the preferences of economic "managers" for the market. Given the lack of market mechanisms for revealing the preferences of consumers (that is, outputs), the Soviet system devolved into one that mistook targets for plans and thus became untethered from any actual productive order.

We acknowledge that the interplay between ideology and interests is a complex one: ideology cannot be subsumed into a simple dichotomy between private and public interests

because ideology has aspects of both privateness and publicness. Likewise, we agree that there are no simple mappings of interests to outcomes (see, for example, [Rodrick, 2014](#)). Nonetheless, we argue that purely structural interpretations—including most of the standard interpretations—that ignore private cost–benefit impacts clash with some of the important facts of the October Revolution and leave other key facts out altogether. Using the public choice approach, it is possible to better understand the events that led to the revolution and its outcome by examining some of the most important internal and external factors that relate to private benefits and costs of revolutionary activity. Importantly, the factors examined here are not exhaustive, and their relative impacts must be narratively (and not econometrically) assessed given the unavailability of pertinent data series.

The public choice theory of revolution

Structural theories of revolution tend to dominate the academic discussion of its historical manifestations. Tullock (1971) notes that historians and editorialists are primarily concerned with the impact of ideologies that express opposition to oppression, mitigation of poverty, and promotion of liberation and democracy in troubled societies. They often miss some crucial points about revolutions by focusing on those public goods and bads. Tullock argues, however, that the actual and potential participants in revolutions, especially the leaders of those revolutions, are motivated by the private costs and benefits that they face. Regardless of the revolutionaries' propaganda, they are more concerned about results, such as becoming powerful or wealthy versus being jailed or harmed, rather than about achieving ideological ends. According to Tullock (1971: 93, emphasis in the original):

As the potential participant disregards the value of the public good generated because its value falls to nearly zero in his personal cost–benefit calculus, the historian disregards the private payoffs to participants because their value falls to almost zero in *his* calculus. They are costs and benefits for other people, not for him.

Tullock's "by-product theory" of rational revolution is based on individuals' assessments of their own costs and benefits of successful revolution. The cost of an unsuccessful revolution could be extremely high, but the private benefits of a successful revolution can also be extremely high if the potential revolutionary expects a large share of the spoils in terms of resources and power. Cartwright, DeLorme, and Wood (1985) provide empirical evidence in support of the by-product theory of revolution.

Taking Tullock seriously requires a distinction between the provision of public goods and bads, on the one hand, and private costs and private benefits, on the other. Public goods include such things as democracy, socialism, emancipation, economic stability, and religious toleration. Public bads include slavery, poverty, high taxation, hyperinflation, and religious intolerance. On the other hand, private costs to potential and actual revolutionaries include exile, imprisonment, torture, and the loss of wealth. Private benefits to potential and actual revolutionaries include personal freedom, power, control of resources in a new regime, and opportunities for wealth. The public choice approach of Tullock suggests that these private benefits and costs deserve as much emphasis in understanding the results of revolutions as public goods and bads.

Silver (1974) notes that the choice of whether to become a revolutionary is like the choice of whether to become a criminal, which is based on the private costs and private benefits of committing crimes. He posits that likely revolutionaries come from the higher-educated classes (professionals, technicians, and white-collar workers—the bourgeoisie in a broad sense) because they are the ones who would have power and position in a post-revolutionary government and its bureaucracies. They have a higher potential benefit than rural peasants or workers, who have little chance of becoming important leaders or bureaucrats in a new regime. Peasants also often lack the resources to even participate in a revolution. On the other hand, professional groups have less wealth to lose than the aristocratic classes, that is, they face a lower potential opportunity cost in terms of wealth at risk. Thus, revolutions are mostly contests between autocrats and professionals, not between peasants and aristocracy.

Using Tullock's by-product theory of revolution, Silver (1974) sees revolutions as being more, rather than less, probable when autocrats offer political reforms because potential revolutionaries see such reforms as increasing their capabilities and as a sign of weakness of the regime. Another factor—in the Russian case, a critical one—is military defeat because a defeated regime is weakened materially and psychologically. Potential revolutionaries see a defeated regime as weak and inefficient due to dramatic changes in its perceived capabilities. In Russia's case, a humiliating defeat at the hands of the Japanese preceded the Russian Revolution of 1905, while the First World War killed off scores of leading officers and loyal troops prior to the October Revolution, opening the chain of command to less experienced and loyal men. Likewise, the strains of war on resources available to the regime left fewer for domestic measures that would mitigate revolutionary pressures and buy off or co-opt opposition. Another potential factor is whether the regime takes some action that engenders widespread solidarity, such as attacking, imprisoning, or executing protesters. Some forms of violence by autocrats, like general violence against protestors, might increase the probability of revolution by raising the private benefits of abdication, while others, like imprisoning revolutionary leaders, might decrease that probability by raising the private costs of leading a revolution. Even increased religious and ethnic toleration or appeasement can change the private cost-benefit calculus of potential revolutionaries, sometimes in conflicting directions, thereby changing the likelihood of revolution in ways that a public-goods focus would overlook.

The public-good and public-bad aspects of revolutions that academic writers and journalists focus on are generally the “preconditions” of revolution but say little regarding whether and when a revolution will take place, or what the outcome will be. Of course, one thing that regime leaders can do to forestall revolution is to enact reforms or take actions to eliminate these preconditions. In Tsar Nicholas II's case, he could have avoided entering the war against the Central Powers. This would have negated the possibility of costly and embarrassing military defeats, as well as the ensuing loss of resources that crippled the tsar's ability to deal with domestic issues. Likewise, he could have offered such legitimate reforms to potential revolutionaries that most would believe they had achieved what private benefits they wanted. The fact that a costly war made offering these concessions even more problematic is reflective of how a private cost-benefit approach can enlighten researchers about the relationship between war and changes in governance.

The study of the relationship between war and revolution is well established in the literature on state building and conflict, dating back to Rummel (1963). Considerable

efforts have been made toward formalizing this relationship, both for an understanding of how external conflicts impact internal changes to nation states and vice versa (see, for example, Brewer, 1989; Downing, 1992; Starr, 1994; Walt, 1996). The view that external conflicts change expectations of the costs and benefits of revolutionary activity fits well with the story we tell here. Thus, we are not saying that preconditions do not matter. Rather, focusing on the private aspects of cost–benefit calculations allows us to better understand who the revolutionaries are and why they act when and how they do, thereby also providing a better understanding of the outcomes of revolutions. For example, according to Roeder (1982: 13), inequality causes revolution not because it is a public bad but because it induces specific political actors to allocate more time, effort, and resources to revolutionary activities. First, it means that there are more low-wealth political actors with few resources and hence low opportunity cost. Second, it turns into targets of revolutionary action those with highly concentrated wealth and power—that is, it creates high benefits for successful revolutionaries.

As another example, a brutal dictatorship that increases violence against the population increases a public bad. This should, from the public-goods perspective, increase the likelihood of revolution. However, the revolutionaries themselves might see political violence as increasing their costs and decreasing their likelihood of a successful revolt, which would decrease the probability of revolution. We posit that this public-versus-private distinction played out in the years leading up to the October Revolution, and we note that the final years of the tsarist regime came after an extended period that was relatively free of political violence, though not unrest. It is this interplay that we explore in examining the internal and external factors that relate to the private benefits and costs of the Russian revolutionaries.

In sum, the private-interest view of revolution suggests that the likelihood of revolution increases when:

- the middle class is relatively large or growing quickly, and can command new wealth and position;
- autocrats show willingness to offer political reforms;
- the regime has experienced recent military setbacks;
- the regime takes actions that engender solidarity (attacking unarmed protesters) but does not significantly raise the costs of rebellion (such as seeking out and eliminating dissenters); and/or
- the regime is fiscally unstable and/or compromised by other external factors.

While some of these line up well with the public-interest views that predominate in the case of the Russian revolutionary period (military setbacks and fiscal instability), others provide a direct contrast. In the discussion that follows, we employ these distinctive predictions of the public choice approach to discuss the internal and external factors that contributed to the timing and outcome of the October Revolution.⁶

Internal factors in the Russian Revolution

Explanations for the Russian Revolution are varied but focus almost exclusively on the public-goods aspects of the period. For example, the Russian Revolution is frequently explained as a public-goods response to the country's backward economy, the government's financial instability, the skewed income distribution, and the peasants'

crushing poverty. Without a doubt, these public-goods factors play important roles in the story of late-tsarist Russia, but they tell us little about the timing of the October Revolution or its likely outcome.

Economic development

Prior to the revolution, Russia was certainly behind most European nations in economic development, with an economy that is often considered feudal (though, technically, feudalism had ended with the emancipation of serfs on 1861). But how bad was Russian underdevelopment, and was it getting worse or better? And how did the pace of development impact the private costs and benefits of potential revolutionaries and the likelihood of revolution? The abolition of serfdom had been followed by a series of major reforms. Markevich and Zhuravskaya (2018) demonstrate that abolition significantly increased agricultural and industrial production. The economy progressed, and industry was modernizing at a relatively fast pace. Policies to promote modern industry were introduced throughout the late 19th and early 20th centuries. For example, the historic Trans-Siberian Railroad was completed in 1891, connecting the Atlantic Ocean to the Pacific Ocean by land for the first time. The gold standard (in 1897) and agricultural land reforms (during 1906–14) were introduced prior to the revolutionary episodes of 1905 and 1917, respectively. The Russian Revolution of 1905 resulted in some democratic and civil rights, such as a representative Duma and the Constitution of 1906, to augment economic reforms. Therefore, the public bad of underdevelopment was getting not worse but better on the eve of the First World War.⁷ According to Ellison (1965: 523): “Russia in the nineteenth and early twentieth centuries, particularly the latter part of the period, provides an example of rapid economic modernization.”

Westerners generally view pre-revolutionary Russia as a two-estate society: the first estate comprised the nobility, government officials, and the officer corps of the military⁸; the second estate consisted of the lowly peasants and a small but growing urban working class. In this view, few people lay outside the two estates. This is important because the first estate’s interest was in preventing a revolution that would threaten its wealth and power. The second estate had some interest in revolution but had few of the necessary resources to pursue it. Generally, there must be some type of bourgeois middle class for a viable revolution to occur. The middle class might benefit from revolution (for example, through lower taxes or enhanced legal status), and it has the necessary resources (for example, income, savings, and social capital). Plus, in the event of a successful revolution, the middle class might be expected take positions of power in running the government, as they possess the skill sets for such jobs.

Smith (2014; 2019) demonstrates that the Russian middle class is the “missing” or “forgotten” estate in the story of the revolution. She finds in urban areas a large middle class of shopkeepers, artisans, and professionals, and a smaller group of privileged merchants, who did not have to serve in the military. Even this privileged class was “overwhelmingly backward” from a Western perspective, many being heavily bearded, semi-Asian in appearance, and culturally conservative in the extreme, and therefore less likely to have been seen as middle class or bourgeois (Smith, 2019: 301). Being in the formally privileged part of the middle class was a legal status, but even those without the official status were increasingly functioning as a de facto urban middle class, and their numbers increased with economic development. As

economic development continued, new subgroups, such as manufacturers and the intelligentsia, arose and grew rapidly.

One reason the role of the middle-class is underestimated is that it was still very small relative to the number of peasants. The 1897 Russian census showed that the vast majority of Russians were poor farmers and that only 5 per cent were engaged in trades or professions. While the latter share is small, it amounted to almost seven million people. This would be more than enough to draw from for a revolution, and their share of the population would increase over the next two decades (see [Smith, 2014](#); [Balzer, 2016](#)). Thus, the impact of economic development was to increase the share of the population that had much to gain from regime change and little formal privilege or accumulated wealth to lose.

Fiscal stability

Prior to the late 19th century, Russia had a reputation for fiscal instability, and its government was widely considered corrupt and inefficient. Governing such a massive area with a large and fast-growing population was highly problematic. It is not surprising that the tsarist regime resorted to persistent budget deficits. A fiscally unstable government is a public bad that encourages revolution from the perspective of the public-goods approach, while a fiscally stable government is a public good that discourages revolution and makes it less probable.

However, the tsars of the late 19th and early 20th centuries were reformers on many fronts, including fiscal responsibility.⁹ Land reform beginning after the abolition of serfdom increased both agricultural production and tax revenue (see, for example, [Chernina et al, 2014](#)).¹⁰ The State Bank was established in 1866, increasing the state's fiscal credibility. Tsar Alexander III reduced government expenditures and employment, and eliminated the poll tax in 1887. The gold standard was introduced in 1897, capping a half-century of fiscal reform during a period that saw a large railroad system built across most of the country.

Dempster (2006) investigates the financial condition of the Russian government prior to the revolution, studying debt, the money supply, gross domestic product (GDP) growth, and their relation to fiscal sustainability up to the end of the tsarist period in 1917. Using data from Mitchell (1980 [1975]), Crisp (1976), and Kahan (1989), he shows that the ratio of debt to GDP fell dramatically from 1894 to 1913. Further, “deficit spending fell to what might be considered sustainable levels over the final decades of the tsarist regime, a period in which economic growth finally began to ease pressure on the government budget” (Dempster, 2006: 40).

Dempster goes further and engages in an intervention analysis of monthly Russian bond yields between July 1906 and June 1920. He finds a downward trend, upended by structural breaks—significant statistical anomalies—in July 1914, the month that Russia and Germany declared war on each other, and again in April 1917, when the Provisional Government that had formed in the wake of Nicholas II's abdication fell. In other words, apart from those two spikes, the view of Russian fiscal stability from the markets was overwhelmingly positive. Dempster's (2006: 35) analysis clearly shows “that tsarist Russia had achieved a sustainable peacetime balance in its fiscal relations by the eve of World War I.” This status was interrupted only when private opportunity costs to investors increased as a result of increases in uncertainty: in 1914, due to the onset of the war; and again in 1917, when after the tsar's abdication, the

subsequent liberal- and Menshevik-led government faltered. This suggests that, in contrast to the dominant public-interest view, market participants did not see tsarist Russia as a place of rising instability. The sudden upsurge in the cost of instability brought on by the war—and its continuation, which was ultimately the cause of the Provisional Government's downfall—made the private benefits of a complete transformation of society more attractive and less costly than would have been the case in the absence of wartime pressures.

Given the relative stability and growth of the Russian economy prior to July 1914, the structural breaks in the financial data reveal sudden declines of confidence in the economic system and the tsar's ability to maintain stability and repay loans. In Tullock's (1971) calculus, this decline in confidence suggests a decrease in the private good of stability provided to the bourgeoisie and entrepreneurs. Fiscal reforms, along with reforms in civil rights, education, and transportation, had increased the private benefits and reduced the private costs of revolution for an increasing share of the population, so that sudden decreases in stability were likely to push cost-benefit calculations past an unseen threshold. If the initial break at the onset of the war brought the threshold near, the break in yields in April/May 1917 after the downfall of the liberal-led Provisional Government reveal a decrease in desired stability that must have breached this threshold; thus, it was replaced by a socialist-dominated government (though not yet a Bolshevik dictatorship) just over two months after Tsar Nicholas II abdicated. Interestingly, it was this event, and not the abdication of the tsar in March, that registered on the financial markets. Thus, in terms of fiscal stability, the abdication itself was seen as an unsurprising event. Rather, it was the demise of the Provisional Government that finally put Russia on the path toward socialism.

Income distribution

As was the case with most historical monarchies, income distribution in tsarist Russia was highly skewed in favor of the aristocracy. The vast majority of the population—the peasantry—generally earned very little income from crop production and often had to pay land rents and taxes, so that their net income was just above or just below subsistence, depending on crop yields in a given year.

From the public-goods perspective, such a wide disparity in incomes increases the probability of revolution, and any decrease in the disparity of income reduces the probability of revolution. From the private cost-benefit perspective, however, a wide disparity might decrease the probability of revolution because peasants do not have the wherewithal to revolt, while the wealthy have no incentive to overturn a system that primarily benefits them. Decreases in inequality, on the other hand, increase the probability of revolution because they create the means by which revolution can be successfully fought by those who will benefit from it the most. Thus, the two perspectives offer a stark contrast in interpreting the impact of inequality on revolutionary activity.

Lindert and Nafziger's (2014) recent investigation reveals a seemingly large disparity in incomes in pre-revolutionary Russia. According to their estimates, the top 1 per cent of Russian households earned a mean income of 8,242 rubles in 1904, whereas the bottom 40 per cent earned a mean income of 326 rubles (Lindert and Nafziger, 2014: 787, Table 6). They find that because of the reformed division of landholdings, the emancipation of peasants, and the population movement from rural to urban

areas, inequality was slightly lower in rural areas than in the cities (for example, Moscow and St Petersburg, where the wealthiest people lived). Lindert and Nafziger attribute the overall relative balance in income distribution to the high land–labor ratio in Russia because, with some exceptions, land was abundant relative to labor in the countryside.

Importantly, however, they conclude that despite severe political inequality, “Russian income inequality was middling by the standards of that era” (Lindert and Nafziger, 2014: 767). Also, inequality was actually decreasing for most of the late-tsarist era due to movements toward land reform. The public bad of extreme income inequality was getting better rather than worse, and from the public-goods perspective, we should expect a declining, rather than an increasing, probability of revolution. In contrast, from the private cost–benefit perspective, tsarist reform measures mean the probability of revolution was rising, as those reforms increased the size of the middle class from which revolutionaries emerge. As mentioned earlier, the middle class possesses resources to revolt that the peasant class lacks, such as income, savings, publishing outlets, and networking groups, while not yet possessing the accumulated wealth that becomes “at risk” during a revolution. Further, many members of the growing middle class faced the prospect of being in charge after any successful revolution. According to Williams (1915: 54–61), in addition to the business and education classes, Russia had a large civil service. These *zemstvo* (local assembly) leaders were among the most politically aware and informed members of Russian society. As inequality fell, the net benefits of regime change rose for these and other members of the growing middle class, and the probability of revolution rose as well.

Political development

In 1900, it may have seemed highly unlikely that a hardcore Marxist dictatorship would come to dominate the world’s largest country within 20 years. Still underdeveloped and rural, Russia was not close to the well-developed capitalist system that Marx envisioned would be taken over by the proletariat. Among the opposition, Lenin in the early 1900s seemed like a hapless and timid schemer rather than the successful global strategist that he would become at the end of the revolution (see, for example, Merridale, 2017a). Montefiore (2017) argues that Lenin’s rise to power was very far from a sure thing. Indeed, in the early years, Lenin only had minority support in the Russian Social Democratic Workers’ Party. Then, in 1902, he published *What Is to Be Done?*, in which he argued that a small vanguard of hardcore, dedicated Marxist intellectuals should oversee the party and determine what other members did.

Small, dedicated groups lessen the free-rider problem of people waiting for others to incur the costs of public goods. However, Lenin’s suggestion did not sit well with labor unions, which were generally organized on a democratic basis. Lenin’s views did not even sit well with traditional Russian Marxists, who envisioned the party as driven by a broad-based coalition of workers that could overwhelm the forces of feudalism and capitalism.¹¹ In any case, during these early days, Lenin marginalized himself within both the socialist movement and the greater reform movement in Russia. At the time, the total membership of the Bolsheviks was a very small fraction of industrial workers, much less the total population of Russia. Bolshevism was simply not a viable threat, though Lenin himself had been considered enough of a threat that he was arrested, imprisoned, and sent into exile.¹² Nonetheless, political

developments during most of the late-tsarist era did not point toward the establishment of a dictatorship on public-goods grounds, as most Marxists and virtually all liberals rejected non-democratic forms of political organization.

The Russian Revolution of 1905 and its aftermath

The Russian Revolution of 1905 began when a general strike paralyzed the nation's economy. The year was fateful in several respects. In January, on Bloody Sunday, troops and police openly fired on protestors gathered at the Winter Palace and in St Petersburg. About a thousand protestors were killed, and liberals and socialists alike blamed Tsar Nicholas II. This uprising and its brutal suppression led the tsar to issue his October Manifesto, in which he increased civil liberties and established the Duma, an elected legislature, albeit of limited power.

According to the public-goods explanation of revolution, it seems the tsar's appeasement should have mitigated the potential for further uprisings. These public-goods benefits might conceivably have placated those at the middle and bottom of the income distribution by giving them more power to control their own destiny. However, a private-interest interpretation suggests an alternate view. The Russian Revolution of 1905 and the concessions the tsar gave signaled to revolutionaries and potential revolutionaries that revolutionary activities bring benefits lucrative enough to justify the higher costs. The tsar's concessions during a political uprising suggested a change in the private costs and benefits to revolutionaries and potential revolutionaries. If the tsar is flexible on some matters, why not engage in more protests?

One crucial repercussion of this signaling is Lenin's change of strategy in 1905. He had previously followed the Marxist line of waiting for a bourgeois revolution that would overthrow feudalism and then allow capital to accumulate so that the proletariat could then overthrow the bourgeoisie and have a fully capitalized and functioning economy. Lenin now switched to a strategy whereby the people would immediately rise up and take control of society. He altered Marx's theory of history to his own advantage, essentially by declaring the Russian Revolution of 1905 to be the bourgeois revolution, despite the fact that the Russian state largely remained a constrained autocracy with a massive peasant underclass.

No one better epitomizes Tullock's (1971) "rational revolutionary" than Lenin. His change in strategy signaled his recognition that the concessions of 1905 were a sign of the weakness of the regime and thus reduced the cost of political and revolutionary activities. Although it is an open question as to whether a more comprehensive set of reforms would have satisfied a larger number of potential revolutionaries, especially among the informal middle class, there is little evidence that those enacted in the wake of the Russian Revolution of 1905 changed expected benefit-to-cost calculations in favor of the regime. Instead, they seemingly emboldened revolutionaries, who had little hope for ultimate victory until then.

In sum, the early 20th-century Russian economy was developing quickly from its feudal past. A backward and unstable fiscal system was quickly being replaced by a modern system that was much fairer and more stable. By 1914, the distributions of income, land, and wealth were all becoming more equal because of land reforms and capitalist development. From the public-goods perspective, all of these changes should have greatly reduced the potential for revolution. However, from the public choice perspective, these changes and reforms all greatly increased the potential for

revolution. They all increased potential private benefits, reduced private costs, and increased the size of a middle class that possessed the resources to revolt but not the significant wealth that revolution might put at risk. As its members were often educated or experienced managers, they were the prime candidates to take over the regime if a revolution was successful. The number of actual revolutionaries was still small, but they could draw on a significant and growing middle class when protests or other actions were deemed appropriate. Finally, political developments in late-tsarist Russia did not indicate significant support for a dictatorial style of governance; rather, they provided evidence that the tsarist hold on political institutions was weakening. Thus, most internal influences on the timing of the October Revolution argue strongly for a public choice interpretation.

External forces and the outcome of the Russian Revolution

External forces are also generally acknowledged to have impacted the outcome of the revolution. Given Russia's vast natural and human resources, the economic and military powers of the day—Britain, France, Germany, and the US—were understandably interested in the events transpiring in Russia. Foreign capitalists seeking a stake in the Russian economy and its natural resources sought to play an increasing role in its development. For example, French and, later, British and American bankers financed the tsar's development plans, a factor that may have increased the probability of revolution. As with the French Revolution, in which both internal and external ideological interests sought to restore the religious rights of French Protestants (the Huguenots), there were certainly internal and external groups concerned about the treatment of religious and ethnic groups in Russia. According to Stults (1971), the 1903 anti-Jewish pogrom so provoked Jewish-American public opinion that President Theodore Roosevelt was forced to take a public anti-Russian stance. There were also significant external financial and ideological impacts stemming from reforms made earlier in the tsarist period. In the following, we consider the roles that such external factors played in the outcome of the October Revolution.

The First World War

Germany declared war on Russia on August 1, 1914, and Russia thereby entered the First World War. Most scholars agree that the war was an important event in the revolutionary period. The real question, however, is how Russia's entry into the war affected the revolution's ultimate outcome.

The October Revolution occurred during the war and, at least in part, because of the destruction from the war. First, the war halted and reversed the economic progress that had come under Tsar Nicholas II and previous rulers, and left a large part of the Russian people even more impoverished and hungry. Russian soldiers were killed or captured in alarming numbers early in the war, particularly among those with war experience and, most importantly, those who were loyal to the tsar. Humiliating defeats replaced early war nationalism and patriotism with embarrassment and shame. Losses on the battlefield led the Russian people to feelings of remorse and anger that were directed at the royal family, even among the peasants, who had traditionally been among the regime's most ardent supporters. Virtually everyone

began to doubt the tsar's leadership abilities. The war ultimately led to military defeat and complete loss of confidence in the tsar's leadership (Pipes, 1994).

Shortages of food and fuel, inflation, and confusion on the home front accompanied these military losses, combining to ignite the Russian Revolution of 1917 in February and March of that year. It began in the capital city of St Petersburg, when public protests led to violent clashes with security forces. These clashes resulted in an estimated 1,300 deaths. The abdication of the tsar and the removal of his son from the line of succession soon followed. The Duma, then dominated by the aristocracy and large-business owners, took control of the government.

However, the Duma made the mistake of continuing the war. Liberals, nationalists, and some Menshevik leaders who dominated the Duma sympathized with France and England, and, mostly, continued to support the war. Meanwhile, Lenin and the Bolsheviks remained resolutely against the war throughout the period, and there were increasing numbers of popular protests and strikes in the name of peace. This was no doubt a key factor in the rising popularity of the Bolsheviks: the Duma inherited military defeat from the tsar, while Lenin had been elevated from a marginal reformer to a position of substantial power. The Bolsheviks, further, took advantage of discontent within the armed forces and began building the Red Army from an array of militias and discontented soldiers.

In 1912, the Bolsheviks had begun as a tiny minority party, mostly unorganized except in Moscow and St Petersburg. By the end of the revolutionary period, the Bolsheviks had become the dominant party in Russia, with Lenin eventually gaining dictatorial control. How did this happen? According to the public choice approach, events must have shifted people's perceptions of the private costs and benefits of revolution, and of the Bolshevik version of revolution, thereby changing the likelihood of revolution from slight to nearly certain.

Influences of foreign powers

The Bolsheviks' antiwar stance clearly drove people in their direction and away from the incumbents. In October 1917, the Bolsheviks and leaders in the Red Army directed an armed uprising of workers and soldiers in St Petersburg, successfully replacing the Duma. They moved the capital back to Moscow in the interior of the country as a precaution in case of invasion and promptly signed the Treaty of Brest-Litovsk, ending the war with Germany. The Bolsheviks' success at ending the war with Germany helped them to win over many people and to neutralize the influence of the many Russians who were suspicious of the communists.¹³

An important source of support came from the German government. Not only had it safely escorted Lenin back to St Petersburg in April 1917, but when Germany and Russia exchanged ambassadors in April 1918, the German embassy also arranged to pay the Russian government 3 million German marks per month as part of the Brest-Litovsk peace settlement. Of the total allocated by the embassy, "approximately one-half went to the Bolshevik government, which received tranches in June, July and August; the remainder was disbursed among other groups" (Pipes, 1995: 179-80). According to Pipes (1995: 177):

None of the great powers had an interest in overthrowing the Bolsheviks' regime. For reasons that have been adduced, the Germans supported it in

every possible way and on several occasions pulled it back from the brink of disaster. The Allies at first courted it and, when the courtship failed, tried to reactivate the eastern front with such forces as they could muster, both Russian and foreign.

Germany was an important financier of the Bolshevik government in other ways. For example, an elaborate plan was developed for Germany to illegally export goods, and instead of returning all of the sales revenue to Germany, some of it was diverted to the Bolshevik government. According to Merridale (2017b):

Lenin could not risk accepting direct bribes, but it was easy for Berlin to supply his agents with commodities and then forget to send the bill. Goods were exported to Denmark (which was legal), the packaging was changed (illegal), and then they were resold to countries where imports from Germany were banned. Part of the profit found its way into the Bolsheviks' coffers via businesses in Stockholm.

Meanwhile, the Bolsheviks had also found outside assistance from Allied nations. Troops from the US, Britain, France, Greece, Italy, Australia, and Estonia were stationed in western Russia, and a very large contingent from Japan and Canada took up positions in the east, in Vladivostok. The Allied powers positioned troops in Russia because they thought they needed to reopen the eastern front with Germany and to prevent Russian supplies and munitions from ending up in German hands. The Allies were not pro-Bolshevik, but their presence on Russian soil did help protect the Red Army and may have allowed the Bolsheviks to translate the people's nationalist and antiwar views into support for the Bolsheviks and the Red Army.

Lenin's unlikely rise from obscure and timid revolutionary to iron-fisted ruler of the world's largest empire is astonishing. No one would have predicted it, but the result was aided by the support of the Allies and Central Powers, acting in their narrow national interests. The seeds of successful revolution were sown by the events of 1905 and its aftermath. The foundation of the October Revolution was the depredation of the First World War, which broke the military's will to defend the tsarist and then the Provisional Government regimes, while the preponderance of (intended or unintended) foreign support for Bolshevik takeover explains the outcome of their lasting rule.

Private foreign interests

Malik (2018) employs archival material, written by international bankers and policymakers of the late-tsarist period, to examine the actions of decision makers involved with important aspects of Russian international finance and the role they played in the revolutionary events that unfolded. In the wake of the Russian Revolution of 1905, for example, compromises made by the regime were viewed as a "forced" capitulation necessary to appease negotiating lenders. Malik notes that the regime was essentially an involuntary signatory to the reforms offered in the 1905 October Manifesto, and this "forced capitulation" had important implications for the failure of Russia to evolve into a constitutional monarchy later on (Pipes, 1994). Perhaps more importantly, Malik presents a convincing counterargument to

the “triumphalist” narrative around the international loan of 1906. Domestically, at least, the loan “served as a lightning rod of opposition for opponents of the regime” (Malik, 2018: 83) because it bypassed the new legislative Duma and was therefore widely seen as illegitimate. Subsequent publications of the Financial Manifesto of December 1905 and Vyborg Manifesto of July 1906 by opposition leaders from across the political spectrum indicate that this was the view of almost all opponents of the tsarist regime, from Bolsheviks to Constitutional Democrats.

International borrowing increasingly became a source of resentment and resistance within Russia, despite continuing optimism among members of the financial community about Russia’s ability to honor its debt obligations. Thus, Russia’s significant inter-revolutionary growth was accompanied by an increasing internal fragility that was underappreciated by many contemporaries. The fact that First National City Bank of New York, forerunner to today’s Citibank, opened its first Russian office in Petrograd on January 15, 1917, points to the obvious disconnect between international perceptions of Russian politics and its stark reality.

Late developments like these indicate that foreign financial interests considered late Imperial Russia, and even the pre-Bolshevik Russian Republic, as economically viable and capable of sustaining long-term growth and development. This evidence leans heavily against theories that suggest the First World War plunged a fragile economy into a near-subsistence state of development. Rationing and wage pressures put pressure on the entire populace, to be sure, but these pressures were not considerably different than those being suffered by many nations in the war. This interpretation is consistent with recent econometric evidence that finds the late-tsarist Russian economy in a fairly robust, though still reversible, transition from a feudal subsistence state to a modern industrial one (see Kufenko et al, 2022).

Foreign political and philosophical influences

Although practically all accounts of the October Revolution pay significant attention to the impact of Marx and Engels on Russian thought, relatively few examine what might have been more influential political philosophies that had more to do with how the Russian intelligentsia saw themselves (as opposed to how outsiders interpreted their role in events that led to the revolution). Hickey (2011: 9) notes that by the mid-19th century, “a culture of political radicalism developed among the intelligentsia, which believed that revolutionary change was necessary.” Furthermore, Berlin (2020 [1967]: 64) argues that although Imperial Russia developed “no original ideas at all of any kind” in regard to political, social, or philosophical thought, it was nonetheless fertile ground for the importation of such ideas formed elsewhere, particularly German Romanticism, from which the intelligentsia adapted a form of intense historicism where Russia played a unique and indispensable role in the world at large. This “Russian exceptionalism” followed closely the ideas of German historicist Johann Gottfried von Herder (1744–1803), who “taught that there existed certain specific differences, not so much of nations (in which he did not believe), but of cultural groups (largely determined by language) which exhibited unique public personalities of their own” (Berlin, 2020 [1962]: 10). For Herder and the Russian intellectuals who adapted his ideas, belonging to a cultural group meant more than being born on the same soil, obeying the same laws, or even speaking the same language. Rather, it meant that if one was a Russian:

then the way in which he walked and ate and stood and sat, the way in which he created his legal system, the way in which he sang, the kind of books he wrote, the kind of dances he danced, the kind of songs he sang, the kind of political constitution which tended to develop amongst him and those like him, would have certain properties, family properties, in virtue of which all these dissimilar activities would be more akin, resemble each other more, in impalpable ways than they resembled corresponding activities or ways of feeling and thought among, say, the Chinese or the Portuguese. (Berlin, 2002 [1962]: 10)

Thus, in importing German Romanticism into a philosophical void, Russian intellectuals themselves fulfilled an interest in defining Russia, and Russians, as exceptional among humanity and their thoughts as exceptional among political philosophies because they fulfilled a purpose that could not be met by outside philosophies or philosophers who did not share the unique characteristics of what was meant to be Russian. This is, perhaps, more important as a philosophical development than the importation of Marxism, and one that relates more directly to the private interests of the Russian intellectual class than to the public good of social change.

Conclusion

Historians have rightly pointed to the importance of such factors as income distribution, public finance, economic development, and, most especially, Russia's participation in the First World War in explaining the Russian Revolution. The typical history of the October Revolution is written in terms of people experiencing public bads and seeking public goods. Russia is viewed historically as an economically backward and undeveloped country, with extreme inequality in income and wealth, and a fiscally unstable ruling regime that was ripe for a revolutionary overthrow. Likewise, Russian peasants and workers, who had suffered from decades of neglect as their European counterparts threw off their chains and advanced in health, education, and well-being, are viewed as having become increasingly political, aware, and radical. Influenced by an intelligentsia that applied the lessons of Marx and Engels in the context of European industrialization, their lack of freedom and agency eventually became unbearable and unsustainable from a public-goods perspective, and these historical factors ultimately caused a successful Bolshevik revolution.

However, a number of important facts belie the standard interpretation. Russia's economy had improved significantly under the direction of the later tsars. The middle class was growing rapidly, and both income and wealth distribution were improving. Prior to the First World War, the tsarist government had achieved fiscal stability. The regime had implemented several monetary, fiscal, and land reforms that increased economic growth and industry, thus also significantly increasing the supply of public goods. In other words, public goods were multiplying and public bads were being mitigated as the revolution approached. If the public-goods approach to understanding revolution is cogent, then the likelihood of revolution in Russia should have been diminishing, not increasing.

On the other hand, we have demonstrated that from a private-interests approach, the likelihood of revolution was increasing. The primary internal reasons for the increasing probability of revolution were based on a substantial increase in the urban

middle-income class, which had resources with which to revolt that the peasants did not, while not yet possessing the wealth that would be at risk in a revolution. Many were trained, experienced, and educated, and some of them could therefore expect to be part of the new government as leaders or important bureaucrats. Thus, internal factors suggest that a private-interests perspective better explains the timing of the revolutionary activities of 1917.

However, it is only when we turn to external factors that we find important clues as to how the revolution would turn out and who would be victorious. Lenin changed his rhetorical strategy after the Russian Revolution of 1905 and, later, built a large antiwar coalition. He sought to end Russia's role in the Great War from its early stages, while both the tsar and the elected Duma chose to continue the war. Meanwhile, both the Allied Powers and the Central Powers provided key resources that helped sustain Lenin's early government, including military defense of Russia when it was at its weakest. Lenin also took financial advantage of his enemies in Austria, Germany, and elsewhere to benefit himself and his Bolshevik government. Along these same lines, there were significant private foreign interests with stakes in a quick and orderly outcome of the October Revolution, hoping that it would settle the resentment fostered in private financial negotiations during the tsarist period. Finally, the intellectual interests of the intelligentsia, having imported a peculiar form of German Romanticism and transformed it into a unique view of Russia's place in the world, were best served by an outcome that preserved that uniqueness at the expense of a liberal outcome that would have made Russia a part of the cosmopolitan Western order.

The public choice approach followed in this article leads toward a re-examination of relevant data of the Russian revolutionary period and provides a coherent and complementary explanation of its momentous events. In doing so, it helps explain how the ruthless Lenin, once a marginalized reformer, came to power in a nation that within a few decades would lead a totalitarian empire. Although not intended to replace standard historical analyses of the late-tsarist and revolutionary era of Russia, we believe that this approach adds considerable explanatory power to the traditional perspectives.

Notes

- ¹ Corresponding author.
- ² We date the revolutionary period in late-tsarist Russia from the beginning of the Revolution of 1905 to the effective end of the civil war, when the bulk of the White (anti-Bolshevik) Army surrendered or fled Crimea in 1920. Although the war nominally continued until 1923, this event effectively marked the end of large-scale resistance within the Russian Empire.
- ³ France was an important financial backer of the American Revolution and provided direct military assistance, most crucially, naval support at the Battle of Yorktown.
- ⁴ See also North and Weingast (1989).
- ⁵ For example, war did not play a part in the other 20th-century revolutions, such as those in Finland, Spain, and Cuba, though in Spain and Cuba, there were intense civil wars. Furthermore, although the ongoing wars between France and England certainly played a part in both the American and French Revolutions, there is no notable breakpoint to indicate that they had a particular role in the timing of those revolutions. In essence, war was a near-continuous feature of the 18th- and 19th-century European landscape,

and there are obviously more examples of wars that did not result in revolution than those that did.

- ⁶ We analyze the Russian Revolution in a similar manner to the way Hendrickson and Salter (2016) analyze revolutions in general.
- ⁷ See also Simms (1977).
- ⁸ Estates were legal categories in the Russian Empire. The set of estates was clearly defined and included nobility, clergy, merchants, urban dwellers, peasants, and smaller estates. The overlap between estates and classes was only partial, however.
- ⁹ The fact that one of the greatest reformers, Alexander II, was assassinated by revolutionaries in 1881 undergirds the private-cost-and-benefit approach to the Russian case by demonstrating a link between the increase in resources (and freedoms) available to potential revolutionaries and their perceptions of the relative benefit-to-cost ratio of revolutionary activity.
- ¹⁰ Land reform meant that taxes were increasingly paid in rubles, not commodities, and that the rural economy was increasingly monetized.
- ¹¹ Lenin wanted a powerful, top-down elite, whereas most Marxists thought labor unions were a path to socialism (see Hammond, 1954).
- ¹² Lenin (beginning in December 1895) was imprisoned for 13 months, then exiled to Siberia for another three years.
- ¹³ In response, liberal, noble, and bourgeois forces put together the loosely organized White Army and a provisional government in exile. This was a period of political and economic chaos, and the bulk of the fighting in the civil war would not begin until the fall of 1918.

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Conflict of interest

The authors declare that is no conflict of interest.

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