

Dilemmas of Russian Capitalism: Fedor Chizhov and Corporate Enterprise in the Railroad Age. *By Thomas C. Owen.* Cambridge, Mass.: Harvard University Press, 2005. xiv + 275 pp. Index, notes, bibliography, illustrations, maps. Cloth, \$49.95. ISBN: 0-674-01549-5.

Reviewed by Susan P. McCaffray

By the time the nineteenth century was three-quarters over, the Russian Empire boasted thousands of miles of railroad track, the beginnings of a modern coal-and-steel industry, corporate banks, articulate apologists for industrial development both inside and outside government, a handful of first-rate technical institutes, and, as the present study demonstrates, at least a few visionary entrepreneurs. Nonetheless, no one would characterize late imperial Russia as a flourishing capitalist economy. Russia's economy grew, but not fast enough (to beat the Germans or to forestall revolution); it became more, but never thoroughly, capitalist; government personnel and decisions promoted industrial development and also blocked it; some Russians embraced the possibilities of private property, free markets, and the rule of law, while others rejected them. How can we understand this paradoxical set of circumstances?

We could do much worse than to consult the newest work of Thomas C. Owen, whose scholarly career has been devoted to explicating just this set of problems. Here, he presents a tightly argued biography of an important and intriguing figure, banker and industrialist Fedor V. Chizhov (1811–77), marked by Owen's typical thoroughness of research, attention to detail, and interpretive erudition. By illuminating Chizhov's career, Owen has produced an interpretation of Russian economic development that relies heavily on the terms "paradox" and, as the title indicates, "dilemmas."

Owen is right in his conviction that Fedor Chizhov's remarkable career illustrates many aspects of nineteenth-century Russian economic life. He was a son of the Kostroma gentry who took a degree in mathematics at St. Petersburg University and embraced a fervent Russian Orthodox piety and Slavophilism as a young man. His nascent Pan-Slavism led to Chizhov's banishment from the capitals for several years during the 1840s and 1850s. During this period, he turned to silk culture and took the

first steps toward a career in economic journalism. When his internal exile ended, he became editor of *Vestnik promyshlennosti* (*The Herald of Industry*), a platform from which he developed and explicated his theory of economic nationalism. By the 1860s, Chizhov was prepared to make the move from theoretical to practical economic activity on a grand scale. In the last decade and a half of his life, Chizhov became one of the most famous, wealthy, and successful entrepreneurs of the imperial period. With railroad official Baron Andrei I. Delvig, Chizhov founded the Trinity Railroad, a private corporation that ultimately succeeded in laying an important line north from Moscow to Yaroslavl and in producing profits for its investors. As often occurred in late-nineteenth-century Europe, the railroad business led to banking. Chizhov became a founder and eventually chairman of the board of the Moscow Merchant Bank, the most successful of its class. Other entrepreneurial ventures included the Archangel-Murmansk Steamship Company, which he founded in 1875.

Chizhov's experiences richly illuminate the complexities of doing business in tsarist Russia, primarily because he reflected on the subject so thoroughly and so lucidly in his journalism and in his diary. Owen carefully examines Chizhov's diagnosis of Russia's dilemmas. How did things look to him?

Chizhov's diagnoses were not unique, but they were cogently expressed. He noted what advocates of industry, both before and after him, had also observed. The greatest stumbling blocks to awakening what everyone always assumed to be Russia's great economic potential were capital shortage and inadequate transportation. The bulk of Chizhov's entrepreneurial career was devoted to these two problems. Of course, entrepreneurs everywhere faced these challenges in the nineteenth century, as they struggled to mobilize capital and to find ways of linking materials, laborers, and markets. But by now enough has been written about these matters in Russia—by officials and entrepreneurs such as N. S. Mordvinov during the first decade of the nineteenth century, by investors and managers in the 1870s, and by historians of all stripes throughout the twentieth century—that we can take as firmly established the fact that mobilizing capital and linking resources presented greater obstacles in Russia than in other European countries. These were the problems to which most proponents of economic development devoted themselves before, and to a considerable extent after, the Russian Revolution.

To a degree rarely acknowledged, however, these difficulties stemmed not from cultural or political failings, but from geographic realities. Russia was, of course, the largest country in the world. By any economic consideration, it was too large. More critical than its size, however, was the even more negative factor of population sparseness. Comparative work about the significance of population, commercial, and civic density among industrializing countries may well yield powerful insights that have so far eluded interpreters.

However, it is fair to judge a regime and a society on the basis of how well they adapt to the conditions in which they find themselves—to the limiting envelope in which they must act. Through Chizhov, Owen identifies another set of factors, cultural and political, that continue to produce the oft-noted dilemmas of Russian capitalism. Chief among these were a “Slavophile nationalism” that produced an almost xenophobic attitude, not only toward foreigners but also toward non-Russian, especially Jewish, subjects of the tsar; ambivalence about wealth, acquisition, and pride, rooted at least partly in the Orthodox Christianity that permeated Russian culture and produced self-doubt even in figures of Chizhov’s stature; and, most important, the fragility of the rule of law in an illiberal, “autocratic-military” political system.

Owen’s biography of Chizhov leads the reader into the minds of two men who have considered the fate of tsarist Russia’s economy at great length, if from rather different vantage points. Written with verve and with a great erudition lightly worn, this book would provide a fine introduction to someone encountering this thorny topic for the first time. It is also rich in interpretive fodder for specialists. The problems Owen (and Chizhov) observe are as timely as the morning paper. Whence the impediments and even outright opposition to the capitalist (or “global”) vision? They did not spring up overnight. Owen would be well equipped to illuminate the interaction of structural and cultural factors that have rendered capitalist development problematic in Russia, and elsewhere.

Susan P. McCaffray is professor of history at the University of North Carolina at Wilmington. She is the author of books and articles on industrialization in late imperial

Russia. Her most recent publication is a coedited volume (with Michael Melancon), Russia in the European Context, 1789–1914: A Member of the Family (2005).