**COMPARING ALTERNATIVE ECONOMIC SYSTEMS: OLD AND NEW APPROACHES**

J. Barkley Rosser, Jr.

Marina V. Rosser

James Madison University

October, 2021

Abstract: Changes in how economic systems have been compared began with considering idealized formulations of possible economic systems as when Marx and Engels critiqued the proposals posed by the utopian socialists in the 19th century, although they also critiqued the actually existing market capitalist system of the time, through theoretical debates about the possible functioning and efficiency of alternative systems during the socialist calculation debate of the early to mid-20th century. Following World War II with the emergence of the Cold War, the focus moved toward comparing growth and other economic variables along with political factors in the two leading economies: the market capitalist United States and the command socialist Soviet Union. Following the breakup of the latter in 1991, some said that comparative economics had died as the emphasis moved to considering the dynamics of formerly command socialist economies as they transitioned towards market capitalism. However, as this process largely ended after 2000, broader approaches developed considering a wider array of institutional and cultural variables and structures and their multiple combinations as empirical analysis expanded and deeper and more complicated varieties of economic systems have come to be studied. These forms include not only further development of varieties of capitalism and new comparative economics, but such new forms as the new traditional economy.

**Introduction**

 How alternative economic systems have been compared has changed substantially over time. Coming from ancient philosophy and over the centuries the predecessor of comparative economics was the promulgation of possible ideal societies, utopias. However generally speaking, from Plato’s (375 BCE) *Republic* through Sir Thomas More’s (1516) *Utopia*, these largely focused on proposed ideal systems, although Plato’s dialogue does discuss some flaws of existing societies . But these systems largely existed in theoretical isolation. A general problem with all these visions is that they effectively posit an end of history, whereas actually existing economic systems constantly change and evolve, a fact that also holds for economic thought about these matters.

 This promulgation of ideal societies accelerated after the French Revolution with the appearance of the utopian socialists, notably St. Simon, Fourier, and Owen, each of whom developed their own versions of such ideal societies, although as with the earlier efforts, not making explicit comparisons with alternatives. Arguably the beginning of comparing economic systems, even if they were all theoretical, came with the work of Marx and Engels, who would comment on forms of socialism competing with their vision, with this specifically involving a critique of the proposals of the utopian socialism visions.

The extension of this would come with the socialist calculation debate, which began at the beginning of there being an actually existing socialist system in what became the USSR. This posed the alternate systems being compared not to be alternative forms of socialism but essentially stylized forms of socialism against idealized forms of capitalism. After World War II as more nations adopted forms of socialist economic systems, the comparisons would increasingly consider the actual operations and performance of the economies of different nations rather than the comparison of idealized versions of these systems. These comparisons would come to recognize varieties of both capitalist and socialist systems developing across the wide array of nations in the world.

The end of the socialist system in the former Soviet bloc led to substantial changes in the comparison of alternative economic systems. While forms of socialism continued to exist in certain nations, the emphasis shifted more to the comparing non-socialist systems. This has taken the form of further study of varieties of capitalist systems. It has also led to the rise of the new comparative economics in which forms of efficiency and inefficiency in state and private sectors across various mixed economies. It has also seen more emphasis on the influence of cultural and religious systems upon the form of economic systems, as indeed movements urging the increased influence of such elements have spread across many nations.

**The Origin of Comparing Alternative Economic Systems**

 As noted already, there has been a long tradition of implicit comparing of alternative economic systems as one figure after another has posed ideal or utopian systems that do not exist and never have in the real world. The implicit comparison is between the ideal utopia and whatever was the existing system that the figure postulating the ideal utopia lived in, with anyone reading or hearing of the ideal utopia when it was initially proposed would presumably understand the implicit comparison. This sort of comparison could continue to be made by later readers of such proposed ideal societies as Plato’s Republic who could make the comparison between it and their own societies, even as theirs would differ from that of Plato himself when he wrote.

 While Plato’s idealized society was not specifically founded on religion, many later such visions were more directly so based and motivated. Reports of sharing of goods among the first follower of Jesus fit into this. A long tradition in Europe of uprisings by peasants and others, such as that led by Munzer in Germany in the early 1500s, drew on the millennarian tradition in Christianity, that the end of the world might be nigh and that a New Jerusalem might be at hand. This motivated people to try to bring these visions of paradise on earth into reality, and such motivations were strong. This manifested itself in a wide-ranging way during the English civil war of the mid-1600s, where multiple factions posed their competing visions of society. Most dramatic was that of the Levellers led by Winstanley who posed a quasi-socialist vision of effectively ending private property in land to be replaced by a system of sharing. The Levellers saw the moment as one of Armageddon and the impending arrival of the Millennium.

 It must be noted that while many of these ideas drew on religious prophecies of future paradises, there were some that had some influences coming from real world examples. The most important one for Europeans after the 1400s was reports of various practices by the Native American Indians. Of course most of those observing them from Europe viewed them as inferior pagans who needed to be converted to Christianity and “civilized” to be proper Europeans through colonization and domination. But some observers saw some of their practices as superior to those of wicked Europe. Probably the first person to be seriously inspired by their example was Sir Thomas More in his *Utopia*.

 This idealized example of Native American Indians would continue to influence thinkers even as these discussions became secular during the Enlightenment. A crucial individual in this was Rousseau (1762), who posed an original innocence and perfection of people in simple states of nature where the original social contract would be formed. This vision of an essentially utopian past in simple societies would reappear in the work of Marx and Engels when they posed a period of “primitive communism” in the distant past. Importantly Rousseau’s argument would play into the many influences that would lead to the French Revolution, which was arguably driven on dramatically improving society, with some seeing the possibility of an ideal society as the possible ultimate outcome, although the widespread use of the guillotine and the ultimate coming to power of Napoleon disillusioned many who had idealistic hopes about what the revolution would bring.

 Which brings us to those thinkers famously labeled “utopian socialists” by Marx and Engels, initially in *The Communist Manifesto* (1848), these figures certainly posing their utopias to the extent they did as alternatives to the existing society that was clearly criticized by the efforts to develop better societies and systems. As it is, while Charles Fourier (1808) and Robert Owen (1813) would propose the formation of new communal communities, with their efforts inspiring up to 140 such efforts in the United States alone, with Brook Farm of the New England transcendentalists inspired by the phalanxes proposed by Fourier and New Harmony in Indiana actually founded by Owen with his sons continuing to live there even as it turned from a communal society to just a conventional town, the father of this group, Henri de Saint-Simon was not what he was thought to be, even though he is one of the most important figures in the history of comparative economics. After all, it is Saint-Simon whom Hayek in his final work, *The Fatal Conceit* (1988) pinpointed as the source of what became the title of that book, the idea that people can be socially engineered to perfection by altering the socio-economic system.

 It is a curious thing that Sain-Simon was not really what was claimed of him, being a socialist, although his views changed over time. It was followers of his who were socialists. He fought in the American Revolution with the Marquis de Lafayette and supported the French Revolution when it started, an opponent of feudalism and idleness while supporting science and hard work. He barely survived the Terror of Robespierre, imprisoned in the Palais de Luxembourg. In his “Declaration of Principles” (1817) he declared:

“We believe that government is at least an unnecessary intermediary between those who think about the public interest and those feel it, between political writers and industry. Accordingly, I consider it necessary to find a means of abolishing this useless intermediary. Direct relations should be established between industry and men of letters”

 In his final work in the year of his death, *Le Nouveau Christianisme* (1825), where he posed a combination of science and religion, he would support some government to help aid the poor and argued for an end to inheritance, while supporting supporting ownership “in common,” probably his closest approach to socialism, and this work would inspire followers who clearly did move towards socialist positions, with the very word “socialism” being coined by one of his former followers, Pierre Leroux (1834), with Robert Owen almost immediately picking it up from him in Britain within a year as part of his trade union activism, although Leroux’s version also supported a role for religion in it. Despite this, Marx would be an admirer of Leroux. The word “communism” would also be coined in this period by another utopian socialist, Étienne Cabet (1840) who proposed “Icarian” utopian communities and whose writings inspired efforts to start such communities in the US.

 Engels (1880) indeed identified Saint-Simon as the inspiration for the idea of central planning, the charge that Hayek levied against him. But while Marx and Engels clearly saw this planning to be carried out by the state, as in the quote above, for Saint-Simon government was not to be involved. It was not even clear that it was full-blown coordinated planning across firms or sectors, but rather these “direct relations” where he educated and scientific “men of letters” would directly interact with the managers of firms. It is not clear that Saint-Simon supported anything more than what we now think of as “scientific management,” while one branch of his followers followed a socialist path, others supported private sector development of infrastructure such as the Suez Canal, and Emperor Napoleon III a great admirer of him. The legacy of Saint-Simon was important, but also complicated. Arguably it is because of Marx and Engels lumping him with the utopian socialists that most now think of him as a socialist, even if he was barely one in his own lifetime.

 Which brings us to Marx and Engels themselves, especially in *The Communist Manifesto* where they labeled these people they criticized as “utopian socialists” even as they took ideas from them. Indeed, this influential work clearly has elements that are utopian even as Marx and Engels denounced such tendencies. They ran through a list of socialisms they found inadequate, including “feudal,” “petty bourgeois,” “German,” “conservative or bourgeois,” as well as “critical utopian socialism and communism.” Indeed, with that last it must be noted that at this time and for much longer there was no clear distinction between socialism and communism. Many have claimed that when Marx proclaimed “From each according to his ability, to each according to his need” In the *Critique of the Gotha Program* (1875) this was goal of pure communism, while in fact he labeled this “the higher stage of socialism.” The distinction between these terms only came into focus in the 20th century.

 Of course Marx and Engels mostly avoided declaring how things were to be after the revolution precisely because they viewed such declarations as being “utopian” and unscientific, with scientific socialism being more about studying the historical development of capitalism and its anticipated downfall, although they also criticized for being insufficiently revolutionary. Nevertheless, in *The Communist Manifesto* they broke down and engaged in precisely that, providing a platform of ten “measures” they considered to be “pretty generally applicable” in “the most advanced countries.” This hodge-podge included some items we readily consider to be standard socialist ones such as abolition of property in land, abolition of all right of inheritance (adopted from Saint-Simon clearly), centralization of credit in the hands of the state in monopoly central bank, centralization of the means of communication and transport in the hands of the state, and extension of factories and instruments of production owned by the state. (with a nod at being “generally in accordance with a common plan”). None of this was the “withering away of the state” Marx would later call for as part of the higher stage of socialism. This was indeed hard core classic socialism as it would be practiced in many societies later that called themselves socialist or communist.

But then there were items that have come to be adopted by essentially all modern high income nations. These would include a progressive income tax, free education for all children in public schools, and abolition of child labor, with these last two major ideas strongly advocated by Robert Owen. But then they also had planks that look to be outright utopian, most notably their call for the “combination of agriculture with manufacturing industries, gradual abolition of the distinction between town and country by a more equable distribution of the population over the country,” as well as the rather vague “Equal liability of all to labor,” although that was associated with dictatorial sounding “Establishment of industrial armies, especially for agriculture.” For all their ridicule of the utopian socialists they both adopted some of their ideas as well as indulging in proposals that lean to being outright utopian themselves. They too joined the movement to proposing utopia in contrast to the existing system they spent most of their time analyzing and criticizing in a supposedly scientific way.

All of this can be viewed as the predecessor of comparative economics as there were no actually existing socialist or communist systems to study and compare with feudal or capitalist ones that did exist, unless one counted the primitive communist systems of earlier societies or possibly those of native or indigenous peoples. So all that was available to compare with the actually existing systems were these various possible utopias, even those that were supposedly inspired by actual practices among such “primitive” indigenous peoples.

**Comparing Actually Existing Capitalism and Socialism**

 That comparative economics moved from being an essentially abstract discussion about various idealized possible utopias to comparing the performance of actually existing economics systems came following the Bolshevik Revolution in Russia of 1917, when a government came to power proclaiming itself to be socialist and committed to moving towards communism, even as no actually existing socialist nation has yet to claim to have achieved true communism, presumably that “higher stage of socialism” proposed by Marx in 1875. Indeed, for the entirety of its existence, the official line of the Communist Party of the Soviet Union was that the system was “in transition” to that ultimate goal of true or pure communism, while lingering in its actually existing state of socialism.

 Even so, this more realistic comparative economics still started from an abstract discussion, the famous socialist calculation debate. While indeed in several later writings Engels had emphasized his and the not fully stated agreement of Marx in supporting some sort of central planning, inspired by the odd case of Saint-Simon, he never spelled out any details of how this was to be done or any specifics of issues or problems that might arise in actually doing this. This discussion came later, although initially still before the Bolshevik Revolution, and so still in a purely theoretical context. Indeed, when Enrico Barone (1908) first seriously discussed the idea of central planning he did not follow Engels or Marx so directly, but more Walras and Pareto and their conception of an efficient general equilibrium, with Barone posing that it might be possible for a central planner to achieve such an efficient outcome.

 It has not always been acknowledged fully that Barone recognized many of the very real problems that would confront real world central planners in the future, even as he posed this possibly desirable outcome. So he recognized such problems as 1) that the appropriate technical coefficients of production would be inconceivable to know a priori to planning; 2) that to find the appropriate prices would have to be determined through experimental methods, trying various ones to see how they worked out; 3) that determining the plan would probably lead to “an army” of bureaucrats with they being part of a costly “laborious and colossal centralization” that may not still be able to achieve the desired outcome, given how hypothetical “the practical possibility of such a system” was.

 While Barone wrote in a theoretical vacuum, by the time the first serious response to him came the Bolshevik Revolution had happened, although its initial failed efforts were probably overly focused on. Thus when von Mises (1920) critiqued Barone, he in the first version of his famous essay cited various odd and failed efforts of the new Bolshevik regime, such as their failed effort to eliminate money, something that indeed Barone had proposed. Of course von Mises’s argument went beyond that basically minor point to argue that efficient prices can only be found through free markets in which profit-seeking capitalists are motivated to properly economize. His strong argument would oppose the later arguments by such as Lange (1936) that state-owned system trying to carry out Barone’s vision with a market would fail because of the lack of properly motivated profit-seeking capitalists. Essentially Hayek’s (1940) arguments regarding information problems were the icing on the cake of this argument, although they would become important in economics more broadly later.

 Curiously, this socialist calculation debate remained mostly theoretical and abstract, largely ignoring the actual reality of the world’s leading socialist model, the USSR. It went from the NEP of the 1920s, which in many ways looked like what Marx and Engels advocated in their program in *The Communist Manifesto*, which only called for the nationalization of land and what would come to be called “the commanding heights” of the economy, not every small enterprise. A third side of this debate dismissed the concerns over Pareto optimality and market efficiency that occupied Barone and these others who followed him. It drew more on what the actually exiting Soviet Union ended up doing in the 1930s, with Preobrazhensky (1926) arguing that what was needed was to maximize capital investment to the extent possible for rapid economic growth, with Dobb (1933) providing a more detailed defense of this view, arguing that rapid economic growth could overcome the problems of any static inefficiency that might arise from the central planning process. Indeed, for a long time it looked like this argument had great substance, as the USSR grew more rapidly than did the USA, for quite some time after World War II, certainly well into the 1960s, and even possibly partway into the 1970s before the mounting inefficiencies of its command socialist central planning unequivocally bogged down its growth. And even for some time after that, advocates of this view would continue to praise this perspective, some of them influential western economists such as Paul Samuelson (Levy and Peart, 2011).

 The actual emergence of comparative economics as a recognized sub-discipline in economics came after World War II with the Cold War between the USA and the USSR, with the effort especially to compare these two not only actually existing but competing economic systems driving much money and effort that eventually led to a full-blown sub-discipline with societies, journals, courses in universities and colleges with textbooks, the full apparatus of a properly recognized sub-discipline of the economics profession. And while it may have lost some of the status in the profession it had during the Cold War, it continues to exist, and may even have a revival in a new Cold War between the market capitalist USA and the “socialist market” economy that the Peoples Republic of China officially describes itself as, a nation ruled by a now century-old Communist Party.

**Comparing Alternative Economic Systems in the Post-Cold War Era**

 The fall of the Berlin Wall in 1989 and the subsequent end of the COMECON trade group and Warsaw Pact military alliance, coupled with the dissolution of the Soviet Union itself at the end of 1991, brought about the end of the Cold War and a movement away from classic Soviet-style command socialism in most of the states coming out of this seismic set of events. Focus moved to studying the various paths and degrees of transition to some variation of a market capitalist system, although a few, such as Belarus, barely moved at all, while others, such as Estonia, moved fairly rapidly to highly laissez-faire versions of that model and fully joined various western organizations, from the European Union and even the Eurozone to NATO. In East Asia Communist parties remained in control in various nations, even as several of them moved more towards market and even semi-capitalist models, such as China and Vietnam, while North Korea remained a holdout with a largely Stalin-style command socialist economic system, even as it de facto allowed for markets in certain sectors, especially agriculture, with Cuba also remaining a holdout, if not as much so as North Korea. But more recently some of the nations in the old Soviet bloc have moved somewhat back towards its model, with Russia renationalizing portions of its energy sector and others also tightening up control by governments in various ways. The old capitalism versus socialism debate has partially reemerged.

 Nevertheless, with the end of the Soviet Union many thought the field of comparative economics might come to an end. Such was stated openly by then Russian Premier Yegor Gaidar in August, 1992 in a welcoming address to a conference of the International Economic Association in Moscow when he declared: “Henceforth there we shall not study comparative economic systems but only economic development.” The sudden end of the previous paradigm indeed posed a challenge to the sub-discipline. But indeed this led to more nuanced analyses of various alternative systems using various alternative approaches. The field evolved rather than ending.

 One such approach derived from the new institutionalist economics of Williamson (2000) and called itself the *new comparative economics* (Djankov et al, 2003). The central concept of this approach is the *institutional possibilities frontier*, which posits a tradeoff between social losses due to state predation (dictatorship) versus social losses due to private predation (disorder). Given its particular institutional structure, each society faces its own pattern of tradeoffs between these, with their potentially being a social cost-minimizing balance between the public and private sectors. Effectively this becomes a model of a mixed economy. This approach gained considerable attention, along with some questions (Rosser and Rosser, 2008). Some of these questions arose from certain applications made of it to specific issues, one of these involved the theory of *legal origins* by some of the new comparative economists (La Porta et al, 2007) and their advocacy of the superiority of Common Law for minimizing these social costs. This was criticized by Dam (2006) for supposedly oversimplifying the presentation of the legal systems being compared, while Tullock (2005) argued that the Civil Law alternative had at least as many pro-economic growth elements in it as the Common Law, with the generally comparable economic performances of Great Britain and France over time providing evidence for this, these being the leading examples of these competing legal systems.

 Following along a similar tack but moving into a somewhat different direction, Acemoglu and Robinson (2012) argued that the most important institutional issues involved had to do with whether an economic system encouraged *inclusive growth* or *extractive growth*, with neither of these necessarily tied more clearly to a the balance between the public and private sectors in an economy. Extractive growth is related to the predation idea developed in the new comparative economics approach. Acemoglu and Robinson argued that inclusive growth would be more likely associated with a democratic political system and tend to exhibit both more rapid growth as well as a more equal distribution of income over time. While it arguably leaves out many important influences, this approach would also attract much attention and become quite influential. However, it has also had its problems, perhaps exemplified by what has happened since their book in Brazil, a case they posed as a model for inclusive growth. Its government would fall in a corruption scandal, with ongoing political instability and an end to the growth that it had been experiencing. Nevertheless it can be argued the approach is still useful in that what happened in Brazil was that a pattern of growth that had appeared to be inclusive turned out to be more extractive than previously understood, with the revelation of this simply shifting it more in that direction, thus leading to many problems, including reduced growth and persistent inequality.

 Another approach that has emerged that has received much attention, although perhaps more from political scientists than economists, has been that labeled *varieties of capitalism*. Implicit in this approach is that indeed capitalism triumphed over socialism at the end of the Cold War, so now all economic systems are basically capitalist. The issue then becomes classifying these varieties of capitalism that societies can become and how they operate (Hall and Soskice, 2001). Perhaps following on the Marxist emphasis on the centrality of the class conflict between workers and capitalists in capitalism, they have tended to focus on the nature of labor-management relations and who labor markets are organized as being a central defining feature of an economic system, while also being open to allowing consideration of other elements as well. This focus leads them to characterize as the most important a contrast between *liberal* capitalist systems and *coordinated* ones. The liberal systems have especially free labor markets with weak unions and little government intervention in their functioning. The coordinated systems stress cooperation between managements, labor unions, and governments, with all of these exercising important roles. Hall and Soskice identify the United States and Great Britain as the prime examples of the liberal system while Germany is posed as the prime example of the coordinated system, with its *Mitbestimmung (Codetermination)* policies of putting labor union representatives on corporate boards of directors. France is seen as an intermediate case. A criticism of this approach is that it downplays other important aspects of economic systems and also seems to have been largely applied to Europe and Europe-derived economies such as the United States. It also essentially ignores the still-existing socialist systems, although implicitly these are largely in the coordinated category.

 While getting less attention than Hall and Soskice and their followers, Pryor (2008) arguably extended their approach to a broader context by introducing a broader set of economic and cultural variables than they did and using cluster analysis to identify groups of economies that seem to be similar to each other over these various variables, which he called “system as a causal force.” Unsurprisingly his clusters within Europe resemble to some extent those observed by Hall and Soskice, with them being Anglo-Saxon, Continental, Nordic, and Southern European. However, he was able to expand his approach to a broader global setting. A criticism is that it becomes hard to pinpoint what is really key to identifying a group, given that it is not easy to disentangle how the variables interact in a cluster analysis. Also, some societies end up as isolates, such as Japan, although this may in fact be deeply informative, and indeed while many see similarities between Japan and some other East Asian societies, the Japanese themselves view themselves as quite unique.

This analysis of Pryor has some similarity to the still broader approach of Kuran (2009) who emphasizes total civilizations as the key to defining systems, with culture, economics, and the law especially involved in this categorization. Both of these remind us of the deep importance of the historical roots of economic systems in all parts of the world. Revolutions can happen that massively change a nation’s or region’s economic system. But deep layers of culture and politics and society persist and reemerge to influence how the new system operates, whether this is the reemergence of Confucian influences within the Peoples’ Republic of China or the differing regional economic performances one sees in different parts of Poland depending on whether they were ruled by Russia, Prussia, or Austria during the period of partition there (Grosfeld and Zhuravskaya, 2015), with Grosjean (2011) providing an overview of this idea of the “weight of history.”.

 Which brings us to the idea of the *new traditional economy*, introduced initially by us (Rosser and Rosser, 1996, 1998). Polanyi (1944) introduced the idea of their being three basic systems of allocation: tradition, market, and command. For him the latter two came to the dominant systems in modern, technologically advanced economies, although he saw forms of them existing in earlier, simpler, and less technologically advanced societies. But for tradition he saw this system as something existing largely in the past, and if in the present then in poor, less developed economies. Whereas allocative decisions arise from markets in market economies and from orders from the state in command economies, in traditional economies these decisions are strongly driven by what was done in the past, such as a person doing what their parents did for a job, as in European feudalism or the Hindu caste system in rural parts of India. Polanyi argued that traditional economies are embedded in broader cultures, with these often dominated by a religion, as with feudalism being justified by the Roman Catholic Church in medieval Europe, and the caste system justified by the Hindu religion. While Polanyi saw these disappearing in the modern world as economic development proceeds, Rosser and Rosser saw the revival of such systems in modern, technologically advanced societies, at least as movements to re-embed their economies within a traditional cultural system, making them new traditional economies. The first appearance of this movement probably involved the emergence of Islamic economics starting in Pakistan in 1947 with the work of Maududi, who advocated imposing *Shari’a*  law codes and having modern economies in Muslim nations obey their principles, such as forbidding interest, or *riba*, and formalizing the charitable system of *zakat*. Arguably the first nation to attempt to have such a system was Iran following its Islamic revolution in 1979, with its leaders proclaiming that their system was a Third Way between the capitalism of the United States and the socialism of the then-existing Soviet Union.

 Since the change came in Iran in 1979, many nations have also attempted to impose an Islamic economic system, generally in connection with imposing a Shari’a law code, of which there are several. Even without an entire nation going new traditional, Islamic by adopting such a code and moving to establish and enforce its economic parts, portions of this have appeared in many nations. This has been notably the case for the Islamic banking movement that has arisen during the last half century. Banks that claim to follow the strictures of Islamic law exist now in over 60 nations, including the United States. Islamist movements that advocate imposing such law codes now exist in many predominantly Muslim nations, with them one of the strongest political movements in a substantial number of these nations. These movements vary across nations, both as to which branch of Islam they follow, such as Sunni or Shia, while also varying in the degree of strictness that they advocate, as well as the methods they pursue to achieve power in their societies.

 While Islamic movements have received the most attention, such movements have appeared that follow other religions and have become important in various nations to varying degrees. Among some religions concerns about what constitutes proper or allowed economic behavior have long been concerns officially, with their having been a long succession of papal encyclicals within Roman Catholicism over many centuries that have reflected changing attitudes about various economic matters as the economies in nations have changed. So the Church has gone from advocating essentially feudal systems from the medieval period and such figures as Saint Thomas Aquinas, to advocating corporatist doctrines starting in the late nineteenth century as the industrial revolution swept across various European and North American nations, to more openly accepting market capitalism while still calling for elements of a welfare state and other limits on a fully laissez-faire economy, such as advocated by such political parties as the Christian Democrats in Germany (Pope Francis, 2013). Weber (1904-05) argued that the Protestant Ethic played a role in the development of industrial market capitalism, although this may arguably not be a proper example of a new traditional approach. In Israel ultra-Orthodox groups have advocated imposing laws to obey certain aspects of Jewish law, such as restrictions on activities on Sabbath days. Environmental groups in high income nations have looked to Buddhism as an inspiration for advocating lower rates of consumption and pollution (Schumacher, 1973, Chap. 4), with some predominantly Buddhist nations having granted much power to Buddhist priestly hierarchies, such as Myanmar (Spiro, 1970).

 In India, while the Father of Independence, Mohandas Gandhi developed his own ideas about a proper economic system that drew on some Hindu ideas (Gandhi, 1909; Dasgupta, 1996), and some of his ideas long influenced Indian economic policy, such as protectionism to achieve *swaraj*, or self-sufficiency. However, more recently a movement not all that sympathetic to some of Gandhi’s ideas such as supporting tolerance of various religions has appeared that advocates *Hindutva*, or the supremacy of Hinduism in India and the strong enforcement of Hindu laws such as forbidding the killing of cows. Some elements of Gandhian thought are followed by advocates of this view, but others are not (Upadhyaya, 1965; Bokare, 1993). The current government of India officially supports this Hindutva idea, with what it means for economic policy still under development. However, in the case of India we have the curious situation that it contains both the remnants of an old traditional economic system in the form of the influence of the caste system in much of rural India, while in more technologically advanced urban areas one finds support for an essentially new traditional development of India (Rosser and Rosser, 2005).

 Finally in portions of East Asia strongly influenced by Chinese culture, there are movements to increase the influence of Confucian ideas such as harmonious relations, education, and the role of patriarch-led families, although in most of these societies this is more of a cultural movement with influence on economic and social policies rather than full-blown political movements seeking to take control of societies. Nevertheless even in the officially “socialist market” People’s Republic of China there is a rising influence of Confucian ideas, in contrast to the Mao period during which these were officially forbidden and suppressed. Many see some of these ideas, such as support for education, as supportive of economic growth, even as in the past Confucianism was seen as not so supportive given attitudes that downgraded the status of merchants. But even in nations that are not openly pro-Confucian observers see influences of Confucianism suggesting new traditional aspects, as in Japan. Perhaps the most curious case is in the two Koreas, in both of which official views are actually anti-Confucian, but many see strong Confucian elements despite the sharp contrast of the market capitalism of South Korea and the command socialism of North Korea, even as they differ over certain elements of Confucian doctrines such as attitudes to merchants or openness to the outside world (Rosser and Rosser,2016) After all, it has long been claimed that “A Korean is more Confucianist than Confucius himself” (Whigham, 1904).

**Conclusions**

 We have seen that the development of comparative economics has proceeded through several stages over time. Prior to the coming to power of an avowedly socialist government, led by a Communist party in 1917 in what had been tsarist Russia, the efforts to compare alternative economic systems were all theoretical. Most of these involved invoking possible utopian systems that might be implemented, with many of these visions inspired at least partly by religious perspectives, whether Saint-Simon’s final proposed system that supposedly combined science with Christianity or that of his follower, Leroux, who seems to have coined the very term, “socialism,” and who also linked it to a Christian view of the world. Of course, with their anti-religious attitudes and their dismissive application of the term “utopian” to many of their predecessors and their proclamation of their own supposedly strictly scientific and materialistic approach, Marx and Engels seemed to move beyond such ideas. But, in fact, when they actually did make specific proposals about what was supposed to come after the fall of the capitalistic system that they predicted, some of the elements not only drew from those they dismissed, but in some cases come across as equally utopian, such as their call for the elimination of the distinction between urban and rural areas they made in *The Communist Manifesto*.

 This focus on theoretical idealized versions of systems continued for some time after the Bolshevik Revolution, most notably in the socialist calculation debate, which prior to World War II largely eschewed any invocation of actual data on any system, whether that found in the Soviet Union or any of its market capitalist competitors, although this mostly reflected the primitive state of economic data and methods of analysis at the time. It also reflected especially the poor and hotly debated data that was coming out of the Soviet Union, with debates regarding what really did happen in the Soviet economy of the systemically important 1930s even now a matter of substantial study as well as discussion and debate. However, with the arrival of the Cold War after World War II and ongoing improvements in both data collection and econometric methodology, formal comparative economics as a sub-discipline of economics appeared, including with such institutional trappings as societies and journals and courses in colleges and universities. The focus of this sub-discipline became the comparison between the actually existing and competing systems operating in the world’s two leading powers that came out of World War II, the market capitalist United States and the command socialist Soviet Union.

 Finally, the collapse of the Soviet bloc and the breakup of the Soviet Union itself by the end of 1991 brought about the end of this competition as it had existed, with most of the nations emerging from this turmoil moving in various ways and patterns more in the direction of market capitalism in their economic systems. Some declared this to be the end of the sub-discipline and the emergence of a new one, the economics of transition. But by somewhat more than a decade this transition process seemed to slow down or end or even reverse to some extent in some locations. It became clear that we still saw a tremendous variety of economic systems around

the world worthy of being studied and compared. These comparisons to some extent called for new approaches and categories. So we have seen emphasis on the nature of institutions in the new comparative economics such as legal systems, with demarcation of varieties of capitalist systems, as well as efforts to draw in more elements not strictly tied to economics such as history and culture, with emphasis on clusters of characteristics and civilizations. Among the important elements of this broader approach has been the revival of awareness of the role of religions in societies, with this manifesting itself in new traditional systemic movements drawing on Islam and Hinduism and Confucianism as well as others, seeking to re-embed modern, technologically advanced societies into a socially traditional framework. Ironically this takes the newer approaches to comparative economics somewhat back to its origins in the study of comparing various idealistic utopian systems.

,

**References**

Acemoglu, Daron and James Robinson, 2012. *Why Nations Fail: The Origins of Power, Prosperity, and Poverty*. New York: Crown.

Barone, Enrico, 1908. “Il Ministro della Produzione nello Stato Colletivista,” *Giornale degli Economisti*, 2, 207-293, 392-414.

Bokare, M.G., 1993. *Hindu Economics: Eternal Economic Order*. New Delhi: Janati Prakashan.

Cabet, Étienne, 1840. *Voyage en Icarie*. Paris: J. Mallel.

Dam, Kenneth W., 2006. *The Law-Growth Nexus: The Rule of Law and Economic Development*. Washington: Brookings Institution.

Dasgupta, Ajit K., 1996. *Gandhi’s Economic Thought*. London: Routledge.

Djankov, Simeon, Edward Glaeser, Rafael La Porta, Florencio Lopez-de-Silanes, and Andrei Shleifer, 2003. “The New Comparative Economics,” *Journal of Comparative Economics*, 31, 595-619.

Dobb, Maurice, 1933. “Economic Theory and the Problems of a Socialist Economy,” *Economic Journal*, 43, 588-598.

Engels, Friedrich, 1880. “Socialisme utopique et socialism scientifique,” *La Revue Socialiste*, April/May.

Fourier, Charles, 1808. *Théorie des quatre mouvements et des destinées générales*. Lyon: A. Leipzig.

Francis, His Holy Father, 2013. *Evangeli Gaudium*. Vatican: Libreria Editrice.

Gandhi, Mohandas K., 1909. *Hind Swaraj*. Ahmedabad: Navujvian Publishing House (in Gujarati).

Grosfeld, Irene and Ekaterina Zhuravskaya, 2015. “Cultural vs. Economic Legacies of Empires: Evidence from the Partition of Poland,” *Journal of Comparative Economics*, 43, 55-75.

Grosjean, Pauline, 2011. “The Weight of History on European Cultural Integration: A Gravity Approach,” *American Economic Review Papers and Proceedings*, 101, 504-508.

Hall, Peter A. and David Soskice, 2001. “Introduction,” in P.A. Hall and D. Soskice, eds. *Varieties of Capitalism: The International Foundations of Comparative Advantage*. Oxford: Oxford University Press, pp. 1-68.

Hayek, Friedrich, 1940. “Socialist Calculation: The Competitive Solution,” *Economica*, 7, 130-131.

Hayek, Friedrich, 1988. *The Fatal Conceit: The Errors of Socialism*. Chicago: University of Chicago Press.

Kuran, Timur, 2009. “Explaining the trajectories of civilization: The systemic approach,” *Journal of Economic Behavior and Organization*, 71, 593-605.

Lange, Oskar, 1936. “On the Economic Theory of Socialism,” *Review of Economic Studies*, 4, 53-71.

La Porta, Rafael, Florencio Lopez-de-Silanes, and Andrei Shleifer, 2007. “The Economic Consequences of Legal Origins,” *Journal of Economic Literature*, 46, 285-372.

Leroux, Pierre, 1834. “De l’individualisme et du socialisme,” *La Revue Encyclopédique*, 1-16.

Levy, David M. and Sandra J. Peart, 2011. “Soviet growth and American textbooks: An endogenous past,” *Journal of Economic Behavior and Organization*, 78, 110-125.

Marx, Karl, 1875. “Kritik der gothauer programms,” *Die Neue Zeit*, 1, 1890-1891.

Marx, Karl and Friedrich Engels, 1848. *Manifest der Kommunistischen Partei*. London: J.C. Burghard.

Maududi, Abdul A’la, 1947. *The Economic Problems of Man and Its Islamic Solution*. London: Islamic Publications.

Mises, Ludwig von, 1920. “Die Wirtschafstrechnung im sozialistischen Gemeinwesen,” *Archiv fūr Sozialwissenschaft um Sozialpolitik*, 47, 86-121.

More, Thomas, 1516. *Utopia*. Leuven: Dirk Martens (in Latin).

Owen , Robert, 1813. *A New View of Society: Or, Essays in the Formation of Human Character and the Application of the Principle to Practice*. London: Richard and Arthur Taylor.

Plato, 375 BCE. *Republic*. Athens (in Greek).

Polanyi, Karl, 1944. *The Great Transformation: The Political and Economic Origins of our Time*. Boston: Beacon Press.

Preobrazhensky, Yevgeni, 1926. *The New Economics: Experience of the Theoretical Analysis of the Soviet Economy*. Moscow: Izdal’stvo Kommunisticheski akademii (in Russian).

Pryor, Frederic L., 2008. “System as a Causal Force,” *Journal of Economic Behavior and Organization*, 67, 545-559.

Rosser, J. Barkley, Jr. and Marina V. Rosser, 1996. *Comparative Economics in a Transforming World Economy*. Chicago: Irwin (2nd edition, 2004, third edition, 2018, Cambridge, MA: MIT Press).

Rosser, J. Barkley, Jr. and Marina V. Rosser, 1998. “Islamic and Neo-Confucian Perspectives on the New Traditional Economy,” *Eastern Economic Journal*, 24, 495-506.

Rosser, J. Barkley, Jr. and Marina V. Rosser, 2005. “The Transition between the Old and New Traditional Economy in India,” *Comparative Economic Studies*, 47, 561-578.

Rosser, J. Barkley, Jr. and Marina V. Rosser, 2008. “A Critique of the New Comparative Economics,” *Review of Austrian Economics*, 21, 81-97.

Rosser, J. Barkley, Jr. and Marina V. Rosser, 2016. “The Paradox of the New Traditional Confucian Economies in the Two Koreas,” *Comparative Economic Studies*, 58, 119-138.

Rousseau, Jean-Jacques, 1762. *Du Contract Social, ou Principes du Droit Politique*. Amsterdam: Marc Michel Rev.

Saint-Simon, Henri de, 1817. “Déclaration des Principes,” *L’Industry*, 2.

Saint-Simon, Henri de, 1825. *Le Nouveau Christianisme*. Paris: Bassange Père, A. Sautelet et Cie.

Schumacher, E.F., 1973. *Small is Beautiful*. New York: Harper & Row.

Spiro, Melford E., 1970. *Buddhism and Society: A Great Tradition and its Burmese Vicissitudes*. New York: Harper & Row.

Tullock, Gordon, 2005. “The Case Against the Common Law,” in F. Parisi and C.K. Rowley, eds. *The Origins of Law and Economics*. Cheltenham: Edward Elgar, pp. 715-734.

Upadhyaya, Deendayal, 1965. *Integral Humanism*. Delhi: Navchetan Press.

Weber, Max, 1904-05. *Die Protestantische Ethik und der Geist des Kapitalismus*. *Archiv fūr Sozialwissenschaft um Sozialpolitik*, 20, 21.

Williamson, Oliver E., 2000. “The New Institutionalist Economics: Taking Stock, Looking Ahead,” *Journal of Economic Literarture*, 38, 595-613.

Whigham, H.J., 1904. *Manchuria and Korea*. London: Ibister.