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Concept of political economy and Ukrainian political practice

Abstract. *The concept of political economy developed in the framework of political anthropology is considered. The key aspects of political economy in terms of political entrepreneurs, primitive money, power-property, social contracts are defined. The prospects of using the political economy methodology in the analysis of the Ukrainian political process are outlined. Political anthropology examines the pre-state pre-capitalist polity and economy. And that is why it can be a source of promising analytical tools for the analysis of post-Soviet, Ukrainian in particular, political process characterized by the weakness of the national institutions of the state and oligarchic distortion of the market economy. One of such advanced analytical tool is the concept of political economy. Political economy can be defined in three dimensions. First, it is a set of institutions by which political elites withdraw and convert resources for their own financing. Second, political economy is a field of struggle between political elites – ambitious political entrepreneurs that compete for power and resources and form different proto-state polity (network and hierarchy). Third, political economy can be defined by specific social contracts that elite conclude with a subservient population about the rules on withdrawal the resources and funding political apparatus. The concept of political economy can serve as a methodology for the analysis of post-Soviet political systems. Within this concept we can organize and analyze a number of fundamental issues of our political and economy (such as management privatization, buying seats on the party lists, stability of presidents authorities and oligarchs, etc.).*

Key words: *political economy, political entrepreneurs, primitive money, power-property, social contracts, chiefdom, oligarchy*

Policy of post-Soviet states is characterized by weak rational-bureaucratic administration, privatization of public institutions of the state and the dominance of (neo) traditional political practices. This means that the concepts developed by the material of modern Western states, is not always appropriate and effective tools for analyzing and explaining the post-Soviet political process. So important is the search for a research perspective that would be able to take into account the characteristic of the post-Soviet proto-state building, rent-seeking behavior of political players, creation of client-patronage networks and other political manifestations and effects of a close connection between economics and politics. One of these research perspectives are developed under the concept of political anthropology political economy. The purpose of this article is summarizing and systematizing certain key provisions of the concept of political economy and outline prospects for its use of the material post-Soviet *politeia*, including Ukraine.

Political anthropology explores the wide range of problems the traditional flight (pre-state political entities) and traditional economies (pre-capitalist economies). One of the most important among them is the problem of political economy. In the broad sense of the term political economy is used to describe the process in which political elites use existing economic conditions or create new economic opportunities for the regulation of the life of society, and storage protect their own political power.

The starting point for the concept of political economy is following provisions: alternative trajectories and political development of society are determined by the methods and tools by which political elites accumulate, control and convert resources and supporting social inequality. The concept of political economy is not only well-established theory of analytic and discursive apparatus and common methodological perspective. In theoretical and methodological terms for it is characterized by a series of fundamental unresolved questions that encourage appropriate scientific debate. First of all it concerns matters of the kind of quality and in the interest of political elites intervene in the economy (debate among adaptive and political theory [1]); that social developments determine the evolution of politea and what is the genealogy of power elites (military debate between theories, plutocratic, aristocratic, and other types

politgenesis [2]); as the unfolding political struggle within the political economy - the game or the rules of the game rules (debate between the concepts of public policy and sovereignty [3]); that the economic structure and resources are a priority in the construction and reconstruction of political economy (debate between the concepts of production, services and exchange [4]); that social and political demands control the operation of political economy and act as individual objects in the savings of its members (substantial debate between formalists and [5]); incentives and restrictions to individual behavior in the field of political economy (debate between the concepts of homo sociologicus and homo economicus [6]). In our further consideration we try to iron out these fundamental discussions and present a generalized concept of political economy.

Political economy is a set of institutions not only on withdrawal, investment and control over resources, combining the economy of households within a political and directs their unused resources to collective objectives and funding of the political apparatus. It also is a field of political competition between ambitious entrepreneurs pragmatic political - aggrandizers. Aggrandizers are the main participants and organizers of political economy. Their definition includes some fundamental ideas. First, historically the first base funding aggrandizers were social and political markets, especially market military allies (despots), marriage partners, competitive exchanges and institutionalized control and redistribution of collective resources (leaders). Aggrandizers controlled the flow of resources to those markets and by creating a pragmatic investment relationships of dependence with ever equal members of the community. [11] Second, the relationship between aggrandizers could consist in two basic models: network equal aggrandizers (society bigmen) and unequal hierarchy aggrandizers (chiefdoms). In the first case, the key had the prestigious Institute of Economics, Strategy beliefs and personal authority, and in the second case - the institution of inheritance of power, coercion and strategy titles system [12]. Third, success of aggrandizer accumulated power and capital determined by success in the struggle for the loyalty and create groups of their supporters (faction), which knit not so much "mechanical solidarity" as aggrandizer power interests and mutual benefits. [13]

Political economy is not a frozen structure with stable rules defined roles and interactions. The main tools that provide dynamic political economy is the so-called "primitive money" and "power-property". Modern forms of money and property determined by the requirements of accelerated functioning capitalist economy, reduce transaction costs and ideology of individualism. In traditional economies, they have a different genealogy.

Primitive money is multiple (various money to perform different functions), social loaded (create social links, a symbol of social status) and independently formed in different social contexts (debt relations, administration, political subjugation, etc.) [14]. The power-property marks differentiated access to resources based on the political status of the order and the right to collective resource, which is fixed by corporate political elite (inheritance sacralization of authorities) [15].

Political control of power, property and primitive money indicates two key strategies aggrandizers - financing products (staple finance) and financing of values (wealth finance), respectively, which provide the funding of aggrandizer and perform key functions expansion and integration polity. [16]

Political economy of aggrandizers involved in the political economy of the state and the processes of state-building. Historically, the emergence of the modern state was associated with incorporation of aggrandizers and reduced competition between them [17], leveling the risks of challenging state monopolies on their part and forming them as opposed to the political system in the form of bureaucracy [18]. However, the key idea of political anthropology is aggrandizer that continues to exist in the modern state, and the power of the state is determined to curb the efficiency and utilization of these centers and undifferentiated "basic" power for their own purposes [19]. In turn aggrandizers are able to use the state to their advantage, especially shifting the costs to the state apparatus to protect property rights (enforcement costs) [20].

Political economy coexists with the economy on life support for specific social contracts. Two key types of ideal social contract related to the historical trajectories and political effects of the Asian [22] and the African mode of production [23]. The first type of social contract associated with the concept of the Asiatic mode of production

can be designated as "institutions in exchange for resources": the political elites withdraw resources from their owners in exchange for this support public institutions that produce the common good. The second type of social contract associated with the concept of African mode of production, can be formulated as "loyalty in exchange for non-intervention": the political elites do not intervene in the economy and life support removed resources from alternative sources, which removes from the political agenda agreed on rules of operation of public institutions.

The starting point of our research is the following thesis: Ukrainian politics is defined weakening rational system of bureaucratic control. Ukrainian politicians backbone part is a combination of two types of institutions - political economy of aggrandizers and constitutional rules of political engagement. The latter, however, are also included in the strategic manipulation and selective implementation of political entrepreneurs. That is the state in Ukraine is used by aggrandizers (especially the oligarchs and regional elites) to collect and convert resources for their own funding, and to change the rules and constitutional recognition of their political positions and relationships in general inequality. This combination of political, economic and constitutional practices, which can be described as "constitutional" political economy is fundamental for the determination of Ukrainian politics.

Now, one needs to outline the Ukrainian proto-state political projects that model the interaction between aggrandizers. For Ukraine, as for some other post-Soviet states, the political context is determined primarily by two factors: the dominant role of the institution of so-called patronage presidency [24] as well as the presence and active influence on the political right-class rent-oriented businesses. [25] Presidential patronage and rent-seeking entrepreneurs are not interested in the development of rational-bureaucratic state of modern type and engaged proto-state construction. Patronage president is building centers chiefdoms (chiefdom-buiding) and face the same problems and challenges faced historically, those who created the centralized polity and their increased its institutional capacity. These problems and challenges primarily include: (1) to ensure the legitimacy and continuity of government; (2) the autonomy and capacity; (3) sustainable extraction of resources. In turn rent-seeking entrepreneurs

are agents of a political project - the construction of the oligarchic Council (oligarchic council-building) - and face the same problems and challenges, which historically had a different elite groups (aristocracy, oligarchy) before centralizing and redistributive initiatives leaders of politea (leaders, tyrants, monarchs). These problems and challenges primarily include: (1) maintaining a balance between the protection of income or property protected by their own means; (2) the autonomy and mobilize mass support of the population; (3) collective action.

Thus, based on the above, the following conclusions. Political Anthropology explores the pre-state pre-capitalist polity and economy. And that is why it can be a source of advanced analytical tools for the analysis of post-Soviet, Ukrainian particular, the political process, which is characterized by weak institutions are state and national oligarchic distortion of the market economy.

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