

so, as the period of reconstruction came gradually to an end, the rate of return on investment was found to decline substantially. Far-sighted party leaders could discern new problems and pitfalls ahead, calling perhaps for new policies.

Some of these leaders were already looking with distaste at the NEP compromise. Their arguments will form an integral part of the next chapter.

5. *The Great Debate*

WHAT WAS NEP?

In the previous chapter we have been giving an outline of the evolution of the economic system within the general pattern and assumptions of NEP. It is now necessary to pass from a description of an evolving situation to an analysis of the discussions of the twenties, which were of the very greatest political and economic importance. They have a significance far beyond the period and location in which they took place. Many developing countries today face similar problems: the financing of capital accumulation, the strategy of economic growth in industrialization, the role of the peasantry after land reform in the context of development, these problems have arisen in many places outside Russia. It may be said that they arose in Russia first, or rather that politicians and economists first became conscious of such problems in the Soviet Union. Far be it from me to suggest that the Stalin solution of such problems is a model for any developing country. Elsewhere the answers to the questions posed may be very different. It remains both interesting and important to study the thought patterns of politicians and economists in the Soviet Union in these years, when relatively frank discussion was still possible, and hard-hitting debates took place in academic and political circles. Although Stalin's political machine already controlled much of what was going on, it was still possible to conduct a genuine public debate on burning issues.

First of all, what exactly was the nature of NEP?

Lenin had left behind, in his articles and speeches, a number of interpretations which were by no means consistent. His successors, busily engaged in a political struggle and anxious to preserve the Bolshevik regime, all tried to present themselves as orthodox Leninists. So it would be proper to return in thought to 1921, to the end of Chapter 3. It was already shown there that Lenin had been thinking of 1794, of the need to avoid

Robespierre's fate by timely retreat. He used the word 'retreat' repeatedly. In referring to war communism he used the parallel of Port Arthur, which had been unsuccessfully attacked by the Japanese at the beginning of the siege. They then withdrew, re-grouped their forces and resumed their assault more methodically, succeeding in the end. The moral seemed to be that some unsuccessful attacks were a necessary pre-condition to a victorious advance, since otherwise the right road could not be found. On either of these two interpretations, NEP represented a forced and highly undesirable retreat, and logically the next step should be to re-group and to resume the advance in due course.

Yet at other times Lenin hotly denied that NEP was undesirable. He argued that, but for the necessities of war, it would have been possible to continue the much milder policies which were begun early in 1918. In still another mood, Lenin would point to the errors and stupidities of the war communism period, to excessively sweeping nationalization, over-centralization, etc. However, on this view NEP could hardly be regarded as retreat at all. If the economic system of 1918–21 was either a forced reaction to an emergency situation or an error, then a return to the *status quo ante* June 1918 was a return to the correct road, and not a withdrawal in the face of the superior forces of the enemy. What then was in Lenin's mind when NEP was fully established and fate removed from him the power of movement and coherent speech? Did he, as Bukharin believed, draw from the horrors and excesses of war communism a cautious, gradualist conclusion? NEP, he asserted, was intended 'seriously and for a long time'. How long is a long time? Lenin himself answered this question by hinting that twenty-five years would be a rather pessimistic view.¹ Lenin and all his comrades must have believed that the advance would be resumed, otherwise they had no *raison d'être* as Bolsheviks at all. They were bound to regard the ultimate achievement of socialism as the one possible justification for their being in power. But when was the advance to be resumed? At what speed? In what direction? Above all, what was to be done to convert or transform the peasant majority of the population, and how was the industrialization of Russia to be pursued after the period of reconstruction had come to an

end? Questions such as these interacted with political issues concerned with the power position of individuals and factions and the succession to Lenin.

In disentangling the various strands of the argument it is important to distinguish between a number of aspects of a highly complex situation. There was first and foremost the basic dilemma of a Bolshevik revolution, triumphant in the name of Marxism and the dictatorship of the proletariat in an overwhelmingly peasant country. The party had power, the pre-revolutionary productive capacity had been, or was being, restored. By 1925–6 the party had to face a vast question of political economy: how to transform the entire social-economic situation by deliberate action from above. If this was to be done by planning, then by what kind, enforced by what mechanism? A large increase in savings, in accumulation of capital, would be necessary. Who was to bear the sacrifices, and how severe would these sacrifices be?

Another aspect of the problem concerned national security. Of course Lenin and Stalin were not the first to see the intimate relationship between industrial development and military potential. Witte, thirty years earlier, had known all about this and had been greatly influenced by such considerations. However, the isolation of the Bolshevik revolution, alone in a world dominated by 'imperialist' powers, lent a special urgency to the situation, as this was seen by the leadership. The extent and the vigour of intervention during the civil war were exaggerated, but the fact that intervention had occurred strengthened the predisposition to believe that another series of 'imperialist' conspiracies would soon challenge the security of the Soviet state. In the middle twenties the Western powers were quiescent, but the recurrent alarms about the plots of 'Chamberlain and Poincaré' were only partly a matter of deliberate invention for political reasons. The fears seem to have been genuine. The breaking-off of diplomatic relations by Britain in 1927 lent some substance to these fears. There was also nervousness about the Japanese in the Far East. The importance of these attitudes in the present context lay in their impact on the speed of industrialization and on its direction and pattern. The higher the projected rate of growth, the greater the savings and sacrifices. Equally

clearly, the more weight that was given to national security considerations, the more the priority afforded to military might and economic independence. This meant more attention to heavy industry, to steel, coal, machinery, at the expense of consumers' goods. But this meant even more sacrifices, which had one further consequence which proved to be of the very greatest significance. If the emphasis in investment was to be on heavy industry, then the peasants could not be offered material incentives sufficient to persuade them to sell more produce. This in turn severely limited the power of manoeuvre of an industrializing Soviet government, within the context of the agricultural settlement bequeathed by the revolution.

THE PEASANTS AND ACCUMULATION

There has already been some discussion in the previous chapter of the consequences of the land settlement of 1917-18. Agricultural production recovered fairly rapidly, but there was a persistent shortage in marketed produce, and the towns could only be fed at the cost of a drastic reduction in exports of grain. Yet urbanization called for a substantial increase in off-farm consumption of food and also for a large export surplus to pay for essential imports of capital goods. Could this problem be resolved within the traditional peasant methods of production, the three-field system, strips, tiny holdings? Was this not a bottleneck which would hold back the entire economic development of Russia? NEP was based on the so-called smychka with the peasants, the word implying a link, cooperation, harmony. Yet Lenin knew and said that a market-orientated private peasantry generated capitalism. It is true that Lenin, in his last year of political life, also said that the peasants had to be shown the advantages of socialism and cooperation, that they should not be coerced. This presented his successors with a very complex question. It was from the better-off peasants with a very complex surpluses would come. Any peasant who specialized in providing marketable surpluses would increase his income. Would this be a dangerous growth of potentially or actually capitalistic elements? What alternative was there, without being in breach of both the assumptions of NEP and of the principles of the

smychka? Bukharin, who had been a leader of the left wing during the war communism period, became the best known of the leaders of the moderates (the future 'right-wing deviation') in the twenties. He reasoned as follows: NEP is to be persisted with for a long time, for a generation at least. It is out of the question to use force against the peasants. While support for the poor peasants may be politically preferable from the Bolshevik point of view, it is from the middle and better-off peasants that the needed farm surpluses will come, and in no circumstances must they be antagonised. On the contrary, they must be encouraged. The alternative policy would bring back the black days of confiscations, and gravely endanger the Bolshevik hold on political power, since it would lead to peasant rebellion. Bukharin was in favour of building socialism, but only at a pace which the individual peasant producers could be persuaded to accept. In his view, greater prosperity among the peasants, more commercial production, was not only essential but was also not dangerous. In the process of time these peasants too would 'grow into socialism'. Following his own logic, he launched in April 1925 the slogan 'Get rich'. The Russian word for this, *obogaschaites*, was the exact translation of a slogan coined in the 1840s by Guizot, the minister of Louis Philippe of France: *enrichissez-vous*.

Parallels with French revolutionary history were never far from the minds of Bolshevik intellectuals. Guizot was a bourgeois statesman *par excellence*. The slogan was too much. While at this period Stalin was in political alliance with Bukharin, and favoured tax concessions to the more prosperous peasants, which were in fact accorded in 1925, he never committed himself as far as did Bukharin to the logic of his peasant policy. He declared to the fourteenth party conference in the same month: 'The slogan "get rich" is not our slogan.' Bukharin was forced to withdraw the offending words and to admit that kulaks were an evil to be limited and squeezed.

However, thus retreat from the logic of his policy made Bukharin's entire position untenable. A kulak is a prosperous peasant. A middle peasant is a less prosperous peasant. The official line in 1925-7 accepted the middle peasant as the indispensable provider of farm surpluses, while making political

gestures towards the poor peasant (there were bitter complaints that the poor peasants' interests were in fact neglected). But this meant that any middle peasant who was successful in developing commercial sales, who sought to expand his holding by leasing or his production by employing a couple of labourers, would speedily convert himself into a kulak. Agriculture had to succeed, and yet it could not be allowed to succeed on the basis of a prosperous private peasant. This was not a sensible or logical policy. Yet what was the alternative?

This kind of dilemma has been faced in other developing countries. There is a tendency for the same people to demand both land reform and industrialization. Yet land reform often has the effect, at least in the short term, of reducing the volume of marketable production, and sometimes of total production, because an egalitarian land redistribution strengthens the traditional subsistence sector. The problem can in principle be resolved by the emergence of a commercially-minded peasant minority, though no one who knows anything about agricultural problems in developing countries would fall into the error of supposing that there is an easy solution. In the special case of the Soviet Union under Bolshevik rule, an advance in this direction came up against an ideological/political barrier.

The logic of the Bukharin approach necessarily involved an emphasis on the production (or importation) of goods the peasants wanted. The same logic called for relatively slow growth, since progress would be limited by the peasants' willingness to save and to supply the state with food surpluses. Bukharin himself spoke of 'riding into socialism on a peasant nag'. But could the peasant nag be persuaded to go in the right direction? Would the Party be able to control it? It must not be forgotten that Soviet power in the villages was weak, and that traditional peasant communal institutions were in effective command; within them the more prosperous peasants tended to become dominant as natural village leaders and because so many of their poorer neighbours depended on them.

The so-called left opposition challenged the validity of Bukharin's policies. As might be expected, their arguments were deeply influenced not only by their views on the particular issues but also by the logic of factional struggle. It is this same

logic which in the middle twenties led to a temporary alliance between Stalin and the Bukharin faction. Zinoviev and Kamenev in 1923 found it politic to support both Stalin and Bukharin in a struggle against the left opposition. In 1925, Zinoviev and Kamenev joined the Trotsky group, and thereupon saw virtues in the left opposition's case which had quite escaped their notice two years earlier. However, these and other policy zigzags should not cause us to suppose that the perplexing issues faced by all these men were unreal. Issues are often adopted by political men for their own purposes.

The most cogent theoretical statement of the opposition's case, and one which lights up most vividly the nature of the difficulties which faced the regime, came from the pen of Preobrazhensky. He had been a collaborator of Bukharin's in 1918, but unlike Bukharin he accepted NEP with many reservations and clearly wished to resume the offensive against the hated private sector at the earliest date. He therefore emphasized the dangers which the regime ran if it were to persist for long in the course set in 1921-4. Already in 1923 he was quoting with approval the concept of 'primitive socialist accumulation', and his lectures on the subject in 1924 at the Communist Academy were later expanded and published as a book.²

Primitive (or initial) capitalist accumulation was described by Marx using British models. Capital was accumulated through the expropriation of the peasantry, by the enclosures of agricultural land, colonial exploitation, the Highland clearances in Scotland. The resultant concentrations of capital came to be invested in industrial development. Applying this analysis to the situation of the U.S.S.R., Preobrazhensky pointed out that there were no colonies to exploit and the peasants could not be expropriated, and yet the necessary socialist accumulation had to come from somewhere. It would be necessary not only in order to finance industrialization, but also to expand the socialist sector of the economy at the expense of the private sector. Clearly the necessary resources could not arise wholly or even mainly within the socialist sector of the economy. Apart from the fact that it was too small to bear the burden by itself, it was wrong and politically dangerous that the sacrifices should be borne by the working class employed by nationalized industries.

Resources would therefore have to be obtained from the private sector. The bulk of the private sector were the peasants. Preobrazhensky saw that the necessary capital would not be provided by voluntary savings. The better-off peasants were very unlikely to lend sufficient money to the government, and the Nepmen in the cities naturally used whatever capital they possessed to make hay while the sun shone, realistically fearing that it might not shine for long. Resources would doubtless have to be obtained by taxation, but most of all through unequal exchange, by 'exploitation' of the private sector. The state should use its position as the supplier of the bulk of industrial goods, and as the foreign trade monopolist, to pump resources out of the private sector and so finance the state's investments into the expanding socialist industrial sector. Preobrazhensky never failed to emphasize the importance of this conflict between socialist and capitalist elements, and he wrote of the struggle between 'the law of value' and the principle of primitive socialist accumulation, i.e. between the forces of the market and those of the socialist state expanding the socialist sectors.

Bukharin and other leaders of the party majority strongly counter-attacked. This doctrine, in their view, was threatening the alliance between workers and peasants. The word 'exploitation' and the principle of unequal exchange were severely criticized. After all, this was 1924, when the country was only just correcting the excessively unfavourable terms of trade for peasants which characterized the 'scissors' crisis of 1923 (see previous chapter). Every effort was still being made to compel a further relative reduction in the prices charged by state industry. Was this the time to speak of unequal exchange? It may well be that some reasoned privately thus: 'Of course we will have to exploit the peasants in due time, but for goodness' sake let us keep quiet about it now.'

Trotsky, Preobrazhensky and their followers developed two further criticisms. Firstly, they held that the official line had been too favourable to the better-off peasants. They spoke loudly of the kulak danger and envisaged the degeneration of the party into some sort of adjunct of the NEP bourgeoisie. (We shall see that this degeneration, such as it was, was of a very different kind, but this was not apparent to the opposition at the time.)

The party majority was under continuous attack from the left for being soft on the kulaks. Secondly, the 'left' opposition contended that the party's industrialization programme was too modest, that a major campaign to build up industry far beyond the levels of 1913 should be launched forthwith. Both Stalin and Bukharin argued at this time that higher growth rates and additional investments advocated by the left opposition represented an adventurist and unpractical policy, which would endanger hard-won financial stability and impose intolerable sacrifices. This would be inconsistent with the principles of NEP. It is true that the same Stalin was a few years later advocating tempos which were far more ambitious and ruthless than any which the opposition had proposed.

The entire controversy was linked with a famous debate on 'Socialism in one country'. One must introduce a warning here. It might appear logical that the industrializers and 'primitive accumulationists' should favour this slogan, while the cautious Stalin-Bukharin gradualists would be against it. In fact the reverse was the case. Stalin and Bukharin said that they would build socialism in one country, even though Bukharin did say that the process would be long and slow. Trotsky and his friends cited Lenin to show that this was impossible and unorthodox. The factional considerations which led to the arguments around this political slogan are outside the scope of this book. However, there is an economic point to be made which is relevant to an understanding of the logic of the left position. Preobrazhensky himself recognized, in one of the last articles in which he was allowed to express his own point of view, that under conditions of isolation Russia's problem was virtually insoluble as he envisaged it. He listed the many contradictions. He drew the conclusion that all this showed 'how closely our development towards socialism is connected with the necessity of making a breach in our socialist isolation; not only for political but also for economic reasons we must be aided in the future by the material resources of other socialist countries'.³ Within the political-economic assumptions of NEP, it would indeed be impossible simultaneously to fight the kulaks, raise prices charged to peasants, increase off-farm surpluses and greatly to raise the levels of capital accumulation. Yet Preobrazhensky

never faced up to the possibility of resolving the dilemmas through coercion, through expropriating the peasantry. A way would be provided by a revolution in more advanced Western countries, which would come to the aid of developing Russia and so mitigate the harshness of Russian industrialization. Therefore the argument of the left opposition over the slogan 'Socialism in one country' to some extent reflected their disbelief in the practicability of any solution to the dilemmas of the twenties so long as the U.S.S.R. remained isolated. This was politically a weak point in their arguments, and it is hardly surprising that Stalin and his colleagues attacked their alleged lack of faith in socialism and in Russia.

Of course the above represents only the roughest summary of arguments advanced. There were plenty of other points of disagreement and also plenty of other protagonists. Thus there was the People's Commissariat for Finance (Narkomfin) which was devoted above all to financial soundness. In their economic policies the Commissar, Sokol'nikov, and the head of the State Bank, Shainin, could be identified as on the extreme right, because

of their insistence that any industrial project be sound and profitable. Yet Sokol'nikov was a political supporter of Zinoviev, who had joined the 'left' opposition. There is of course no inherent reason why one should not support a conservative investment policy, owing to consciousness of the acute shortage of capital, and at the same time inveigh against the dangers of kulaks in villages. The lines of controversy were by no means clear-cut. It must be emphasized also that the protagonists shared many common assumptions. All took for granted the necessity of the retention of sole political power by their party. All took for granted the necessity of industrialization and were under no illusions concerning the limitations of individual peasant agriculture. Peasant cooperation and collectivization were regarded by all as desirable aims. The difference lay in tempos, methods, the assessment of dangers, the strategy to be followed in pursuit of aims very largely held in common. Soviet historians are fond of contrasting the policies of the majority ('the party') with the negative, defeatist, anti-industrializing, pro-peasant policies of various oppositions. Such a picture is a most distorted one. The fourteenth congress of the party

meeting in 1925, passed resolutions favouring industrialization, while the fifteenth congress (1927) declared in favour of collectivization and of the five-year plan. However, these resolutions were adopted with the support of the future right-wing opposition. Indeed the 'industrial plan' resolution in 1927 was introduced by Rykov, who was Bukharin's most influential supporter.

Does this mean that the argument was concerned only or mainly with who should wield political power? Such a conclusion would be totally misleading. The policy differences were deeply felt. It is true that Stalin later on stole many of the clothes of the left opposition, but Bukharin's entire vision of Soviet development differed radically from that which came to be adopted by Stalin, despite the fact that they shared some common aims. Bukharin wished to preserve NEP for a long time yet. Stalin destroyed it. The right opposition were horrified by Stalin's peasant policies and by his industrialization strategy, as well as by his political methods. There were deep and sincerely held policy differences.

SOME ORIGINAL ECONOMIC IDEAS

We have so far been emphasizing differences of opinion among professional politicians. But the debates and controversies of the twenties contain much more that is of interest for the economic historian, and perhaps most particularly for the historian of economic thought. Development economics could be said to have been born here.

It is not that the Soviet economists, planners and statesmen were more intelligent or imaginative than their Western contemporaries. It is just that the institutional and political circumstances posed problems in Russia which demanded consideration. Even at the height of NEP, the bulk of investment capital was in the hands of the state. Even the most moderate protagonist of the NEP compromise was bound to reflect on the next step, and thus on the development strategy to be followed. In the West, economic theory did not even discuss investment criteria. Such matters were encompassed within the theory of market equilibrium, and, since the very notions of development and growth were absent from the discussions, the idea of any

deliberate policy with regard to investment was absent too, the more so as the bulk of capital assets and investment resources were in the private sector, and so were not subject to public policy, even if one could be imagined. Therefore the Soviet theorists and practitioners found themselves in the role of pioneers. Whatever weaknesses there may have been in their thinking and their practice, it must be emphasized that they could have learnt nothing useful from the West, which did not begin to discuss these issues until 1945, or even 1955.

As this is not a history of economic thought, these matters will be dealt with briefly. The interested reader is referred to the works listed in the Bibliography, and, so far as theory is concerned, particularly to J. M. Collette,⁴ on whose research much of what follows is based.

There was, first, the issue of agriculture *versus* industry, and the linked questions of foreign trade and comparative advantage. The Soviet Union was a high-cost and inefficient producer of industrial goods in general, of equipment in particular. As the 'scissors' crisis underlined, it was a relatively much lower-cost agricultural producer. It might then appear to follow that the correct policy was to invest in agriculture, to increase marketable surpluses, to expand exports, and thereby to obtain industrial goods, especially capital goods, abroad. Shannin was a particularly strong supporter of this view. Of course, in the very short run this was the only possible tactic. In the absence of an adequate capital goods industry there was no alternative to buying machinery abroad in exchange for food and timber. But whereas the more radical 'industrializers' wished to orientate these purchases towards the rapid creation of the U.S.S.R.'s own heavy industry, Shannin and his friends envisaged a longer-term dependence on the developed West. This argument is familiar enough among development economists today; the role of agriculture is often the subject of debate.

Then there was the question of the conflict between short-term investment criteria and strategy for development. This was related to the important issue of unemployment and the surplus labour which, by universal consent, was available in the villages. Capital was acutely scarce. There was a shortage of most goods, in the aftermath of the civil war. Therefore, argued some, the

most important thing was to use scarce capital to the best advantage, this being defined as maximizing employment and producing as much as possible for the least possible expenditure of capital. This policy, advocated by P. P. Maslov, led to the following practical recommendations:

(a) Capital-saving, labour-using investments were to be preferred.

(b) While one should also seek to choose investments which promoted a high or quick rate of return, the fact was recognized (twenty years before W. Arthur Lewis), that the existence of surplus labour was not adequately reflected in the wage rates and social benefits which entered into costs of production.

(c) Heavy industry required massive investments which matured over a long period. Therefore considerations of economy of scarce capital, the expansion of production in time of universal shortage and the problem of unemployment all called for priority to be given to light industry and agriculture.

However, as we know, this approach seldom satisfies the development planner. Already in 1926, Bernstein-Kozan was conscious of a dilemma or contradiction. This is how Collette summarized his argument: 'Either save investment resources by maintaining the lowest possible capital intensity, and so condemn the Soviet economy to long-term stagnation; or else renew the existing equipment intensively, develop the basic industries, install a powerful infrastructure and lower considerably the rate of return on investment.'⁵ There was much discussion of the use of interest as a means of time-discount, as an aid to choice; but in itself it could not resolve the problem. The talented economist Bazarov, also in 1926, asserted the need to divide the economy into two – a priority sector (e.g. electrification, transport) to which the criteria of rates of return were not to be strictly applied, and the rest of the economy.

DEVELOPMENT STRATEGIES

As with NEP so with theories of development, 1926 was a year in which the atmosphere changed. Perhaps this was due to the virtual completion in that year of the restoration of the pre-war economy, and a consciousness that a new investment policy was

necessary. This too found its reflection in the politics of the time, with resolutions favouring industrialization high on the agenda. Needless to say, the arguments of the economists were also related to the political factions, either directly or indirectly. Thus the argument in favour of investment in agriculture and the consumers' goods industry would naturally fit into the Bukharin approach to NEP. Equally clearly, it would find little sympathy among the supporters of the left opposition, or, when he moved left, from Stalin. It is because of this (sometimes unwanted) association of theoretical arguments with factional struggles that so many of the able economists who expressed original ideas in the twenties died in prison in the thirties.

All planning, in the sense of deliberate decision-making affecting the use of resources, must represent some sort of compromise between two principles, which in Soviet discussions came to be known as 'genetic' and 'teleological'. The first lays stress on the existing situation: market forces, relative scarcities of factors, rates of return, profitability. The second reflects a desire to change the proportions and size of the economy, to maximize growth, to emphasize strategy of development rather than adaptation to circumstances. The conflict between the two attitudes, on both the theoretical and the practical-political planes, increased in the second half of the decade. Naturally, neither side to the argument was unaware of the need for some sort of reconciliation of the opposing principles, though the original and intelligent ex-Menshevik economist V. Choman did assert that there was some 'natural' relationship between agriculture and industry which remains (or should remain) constant over time. Most of the protagonists were concerned with relative emphasis. Surely, as Bazarov pointed out, any plan which ignored the existing situation was doomed to failure; any plan which saw no further than the demands of the immediate present was patently inadequate. The changing emphasis after 1926 led more and more to the stress on drastic change, and as party policy veered towards rapid industrialization one heard more and more voices advocate the priority of heavy industry, asserting the criterion of maximizing growth. The economist of this period whose name is now most familiar was Fe'r'dman, whose growth model has been introduced to Western readers

by E. Domar.⁶ Evidently, if the objective is the most rapid industrialization, the investment choices in any developing country are bound to be based on principles quite different to those which would minimize unemployment or economize scarce capital in the short term. As Collette has pointed out, this type of thinking was found in the West only after 1955.

Much was made, by the supporters of a sharp rise in investments, of the phrase 'extinguishing curve' (*zaukhayushchaya krivaya*). This was the forecast of a reduced rate of growth, made by a committee of VSNKh, already referred to under its abbreviation OSVOK. Its conclusions followed logically from the inevitable slowdown which would be the consequence of the end of reconstruction. In part they assumed both a rise in the capital-output ratio and a fall in the volume of investment. But the idea of a slowdown was unacceptable to the political leadership; and indeed contradicted the dynamism and optimism without which the party rank-and-file would lose much of their drive and morale. It was sharply rejected. The fact that these and other bourgeois specialists were so very cautious in their prognostications later encouraged Stalin and his colleagues to ignore 'moderate' advice. A 'strategic' decision, much discussed at the time, concerned the so-called Ural-Kuznetsk combine. This was an immense project linking the iron ore of the Urals with the excellent coking coal of the Kuzbas, a thousand miles away in Central Siberia. It was a long-term project *par excellence*. It would lock up a great deal of capital. It could not be justified by rate-of-return calculations. It might have vast external effects in the long run. It would – it did – save the situation militarily in the event of invasion by 'imperialist' powers. The issues are fully discussed in several works in the West.⁷ (The Ural-Kuznetsk combine project was in fact begun in 1930.)

The issue of balanced *versus* unbalanced growth, known to most economists from the (recent) work of Hirschman and Nurkse, was also discussed in Russia at this period. In part this was included in the 'genetic-teleological' debate, and in part it came up as a problem of how to tackle existing or anticipated bottlenecks. Bukharin in particular advocated a careful attention to balance, and warned of the consequences of neglect of this factor which, after 1928, tended to discredit this approach, since

it was associated with right-wing heresy. This was regrettable, since it affected the fate of another of the Soviet innovations: the 'balance of the national economy'. Using data from 1923-4, a group of gifted men led by Popov and Groman created the 'grandfather' of the input-output tables of later years. They invented a new idea, without which planning could hardly begin. It was necessary to trace the interconnections of the sectors composing the economy; to discover how much fuel was (or would be) needed to produce a given quantity of metal, to take just one example. The attempt was in many ways inadequate, many of the necessary data were missing. But it was the first such attempt, if one excepts Quesnay's *Tableau économique*, to which Soviet economic literature makes frequent reference.

The twenties were an intellectually exciting period. Not only were there debates among Bolshevik leaders and intellectuals, among whom were men of great eloquence and wit, but quite independent ideas were put forward by men who were not Bolsheviks at all. Gosplan and VSNKh experts included many former Mensheviks, later to be accused of being plotters and saboteurs. Men like Groman, Bazarov, Ginzburg contributed significantly to policy debates. Ex-populists, ex-SRs, were active too, for example the famous economist Kondratiev, the agricultural experts Chayanov and Chelintsev. Even non-socialists, like Litoshenko and Kutter, could raise their voices. There was a one-party state, there were no legal means of organizing an opposition, but conditions were far from resembling the monolithic thirties. The communists were very weakly represented at this time among the planners. Thus in 1924, out of 527 employees of Gosplan, only forty-nine were party members, and twenty-three of these were drivers, watchmen, typists, etc.⁸

The great debate, or more properly debates, must be seen as taking place at many different levels. There was the political struggle for power. There was the conflict at the political level between advocates of different policies towards the peasants, or on industrialization rates (*tempos*), or 'socialism in one country'. There were discussions and proposals put up by experts on investment criteria and growth strategies. Theory and practice, expert judgement and politics, interacted in various ways. Thus, not surprisingly, political men who were not allowed to express

open dissent in a political way did so in their capacity as experts, just as others did so as novelists and poets. Politicians used experts, and selected statistics to suit their arguments, which eventually proved very dangerous for the experts. Thus the apparently abstract argument about peasant stratification became political dynamite, inevitably linked with the question of the kulak danger and the steps which could or should be taken to combat it. Even so statistical an issue as the volume of marketed grain became highly 'political', as we have seen.

6. The End of NEP

The share of the private sector in the national income is said to have declined as follows:

	1925-6	1926-7	1928	1929	1930	1931	1932
Socialized	45.9	48.7	52.7	61.0	72.2	81.5	90.7
Private	54.1	51.1	47.3	39.0	27.8	18.5	9.3

(SOURCES: 1925-6 and 1926-7, *Narodnoe khozyaistvo SSSR*, 1932, pp. xvi-xvii; 1928-32, E. Kvirik, *Problemy ekonomiki*, Nos. 10-12 (1931) p. 5.)

As already shown in Chapter 4, its relative position began to decline earlier; however, until this date it could be said that it was the general understanding that private enterprise had its legitimate part to play in Soviet life. The decline of NEP cannot be dated precisely, the more so as official statements on the subject were ambiguous or deliberately misleading. Thus Stalin even in 1929 was still indignantly denying rumours to the effect that NEP was to be ended, and in fact as late as 1931 the tenth anniversary of NEP was the occasion for statements that it was still in operation. The five-year plan, in its optimal variant adopted as late as the spring of 1929, envisaged an increase over the five years in the national income generated in the private sector by as much as 23.9 per cent.¹ Yet, as we shall see, the offensive against the Nepmen outside agriculture had already been raging at this date for some time, and the offensive against the private peasants was about to begin. The following tables show the decline in legal private activities:

<i>Trade</i>	<i>Total private turnover</i> (million roubles)		<i>Per cent of total trade</i>	
1924-5	3300	42.5		
1925-6	4963	42.3		
1926-7	5063	36.9		
1928	3406	22.5		
1929	2273	13.5		
1930	1043	5.6		
1931	-	-		

(SOURCE: Matafeyev, *Istoriya stenobrazzaniya v SSSR* (Moscow, 1964), p. 134. The author draws attention to the large volume of illegal and unrecorded trade in and after 1929.)

As already indicated earlier, the state had a potential stranglehold on the private trading and manufacturing sectors, in that supplies of raw materials and of goods to sell depended greatly on state industry. Therefore a simple administrative decision could change the situation, even without legal or tax measures specifically directed at the Nepmen. It was not until 1930 that private trade became (*de facto*) the crime of speculation and the employment of labour for private gain became in fact illegal.² But well before that date the squeeze was on. For example, there was a steady increase in surcharges on transport of private goods by rail: 'By 1926 the surcharges for transporting private goods reached fifty to 100 per cent, and in subsequent years were raised up to 400 per cent for some goods.'³ The year 1926 also saw the first of a series of fiscal measures designed to make private trade less profitable; thus by decree of 18 June 'a temporary state tax on super-profits' was imposed on Nepmen. It was the first of many. On 9 April of the same year the central committee plenum decided that flour mills in private hands should be 'drastically curtailed'. An ever sharper tone crept into party pronouncements about Nepmen and kulaks.

Taxes on better-off peasants were increased, as the following table shows:

	1925-6	1926-7
Poor peasants (roubles per annum)	1.83	0.90
Middle peasants	13.25	17.77
Kulaks	63.60	100.77

(SOURCE: G. Maryakin, *Reprosy istorii*, No. 4 (1967) p. 27.)

An amendment to the criminal code adopted in 1926 'envisaged imprisonment for up to three years with total or partial con-

ification of property for those guilty of evil-intentioned (*zlosny*) increases in prices of commodities through purchase, hoarding, or non-placing on the market'.⁴ This is the famous Article 107 of the Code, which was to be used by Stalin two years later. At the time at which it was promulgated it remained very largely a dead letter. However, the fact that it was adopted in 1926 is an indication of the evolution of official opinion with regard to private trade in general.

Why this shift of policy? Official party histories tend to underplay the change. The resumption of the offensive against the private sector, according to such a view, was inherent in the very concept of NEP from the first. The state was now stronger, better able to run trade and industry, and in a position to begin to provide the capital equipment which would ultimately revolutionize social and productive relations in agriculture. Such an interpretation is not wholly wrong. For large numbers of party members NEP was a forced compromise with the hated enemy, who was to be attacked as soon as conditions were ripe, using any weapons at the party's command. However, to see things in this way is gravely to underestimate the extent of the change of policy which was taking shape gradually from 1926. This culminated at the end of the decade in what can best be described as the Soviet great leap forward, involving the destruction of the last bastion of private enterprise in the great collectivization campaign.

The causes of the change of policy were numerous and complex, and interacted with one another.

Firstly, we must note the close relationship between ambitious investment programmes and the end of NEP. As has already been noted, 1925–6 saw the end of what might broadly be called the reconstruction or restoration period. It is true that the metallurgical industry was still below its 1913 level, and that some other industries, notably electricity generation, coal mining and some branches of engineering, were already above it. The essential point was that henceforth further efforts to increase industrial production would cause increasing strain. In December 1925 a resolution of the fourteenth party congress called for industrialization, and also for the victory of the socialist sector. The concentration of resources in the hands of the state seemed inconsistent

with the activities of *Nepmen*, who competed for resources and diverted them from the priority tasks of the moment, and indeed made profits out of the shortages which an investment programme would cause.

A second and very important feature of the situation, to which sufficient weight is seldom attached in histories of the period, was the price policy pursued by the government. We have seen in Chapter 4 that its response to the 'scissors' crisis of 1923 was to press the state trusts to reduce their costs and their prices. This policy was continued in subsequent years, although both urban and rural incomes rose faster than the volume of output (though the latter did rise rapidly). Faced with strong market pressure for price increases, the government obstinately persisted with its policy of price cuts, and in order to make them effective extended price control over an ever wider portion of state industry and state and cooperative trade. As might have been predicted, this speedily gave rise to the phenomenon of 'goods famine'. These words occur repeatedly in official and unofficial pronouncements from 1926 onwards. A talented young economist, who was to contribute greatly to the rebirth of Soviet economics forty years later, described the situation as follows: 'Commodities no longer seek buyers, the buyers seek commodities... There are long queues in front of some shops. In private trade prices are significantly higher than the selling prices of the state trusts, 100 per cent or 200 per cent higher for some commodities. Limitations on purchase are introduced: the goods most in demand are sold by state and cooperative shops not to all those willing to buy them, but to selected categories of buyers, for instance members [of the cooperatives] or members of trade unions. If in big cities the goods shortage has taken such acute forms, the situation in the villages is worse still.' This is due to price policy. 'The shortage of goods, therefore, occurs only when prices cease to carry out their function in balancing supply and demand, when they become inert and unresponsive to market forces.' Surplus purchasing power moved into the area in which price controls did not operate, and so private trade took on the characteristics of speculation, since it was profitable to buy state-produced goods for resale, thereby in effect transferring resources to the private sector. More seriously, it had a grave adverse effect on

peasant purchasing power. Even though the reduction in prices charged by state trusts and state trade may have been originally motivated by the desire to close the price 'scissors', i.e. to improve the peasants' terms of trade, the effect was quite different in practice. Since the official prices were below equilibrium prices, those closest to the factories got at the goods first. 'Towns are closer to the sources of industrial goods, the villages are further away. Therefore the towns appear to obtain a larger share of industrial goods than they would have obtained at prices which balance supply and demand. The policy of low prices not only failed to lower prices for the village, but on the contrary it lowered prices for the towns at the cost of raising them for the village, and by a large percentage too.' The young critic patiently pointed out that this policy was absurd, and would become the more absurd as state investments increased, since they would generate incomes which would constitute still heavier demand on the available consumer goods and services.⁵

This advice was ignored. A whole series of decrees and declarations demanded further cuts in prices. On 2 July 1926 the STO (Council of Labour and Defence) issued a decree the title of which must surely seem unsound even to the dimmest first-year student of economics: 'The reduction in retail prices of goods in short supply made by state industry'. The reduction was to be 10 per cent, and there was another and similar reduction ordered on 16 February 1927.

The pursuit of such a policy was plainly inconsistent with the logic of NEP, and was bound to lead to an attack on private traders who were selling manufactured goods in the villages at prices more than double those charged by state and cooperative shops, in which, however, the goods could not be obtained. Likewise the additional profit made by the still-legal private manufacturers and craftsmen would hardly appeal to the political and fiscal authorities.

Thirdly, a similar kind of blunder distorted agricultural production and procurements. The peasants' willingness to sell was already adversely affected by the goods famine. It was further affected by the government's efforts to lower procurement prices. Taking advantage of a run of reasonably good harvests, the state endeavoured to economize in its expenditure on purchases of

farm produce. In the agricultural year 1926-7 the general level of state procurement prices fell by about 6 per cent compared with the previous year. No such reduction was justified by the market situation. But worse still, for ever mesmerized by the key role of grain, the government cut prices for this particular crop much more severely, by as much as 20-25 per cent. The result, as might have been foreseen, was a reluctance to sell grain to the state, a tendency to concentrate on other crops and on livestock, for which prices were more favourable, and the emergence of a large gap between official state prices and those paid to the peasants for their produce by the still legal Nepmen traders. We shall have much more to say about the consequences of this later in the decade.

Why were these price policies adopted? A little reflection clearly shows them to have been totally out of line with the principles of NEP, and indeed the continuance of such price policies was bound to lead to grave conflict and confusion, even in the absence of other factors. No doubt much can be explained by a combination of obstinate blindness with a built-in dislike of market forces which characterized many Bolsheviks. However, part of the obstinacy may have had a political explanation. Trotsky and his friends had favoured increasing the level of savings and investments, and the logic of their position demanded somewhat higher, not lower, prices of manufactured goods, since in this way the state would obtain the necessary revenue. This in itself would have been an argument for Stalin to oppose such a move, and he doubtless saw political advantages in contrasting his policy of lower prices with that of the opposition. The pressure to increase grain prices, in turn, came especially from Bukharin and his friends of the future 'right-wing deviation'. Here again, Stalin had political reasons for obstinacy. This is not mere surmise. Stalin repeatedly accused various opponents of wanting higher prices. The party plenum held on 7-12 February 1927, in reaffirming the need for lower prices all round, emphasized that 'in the problem of prices are interlinked all the basic economic and political problems of the Soviet state'. The policy chosen was basically hostile to market forces in industry, trade and agriculture. Either the policy would have to be amended, or the market and its manifestations would have to be destroyed.

The survival of NEP was conceivable only if this price policy was altered. It was not altered, and NEP was doomed. Only after the decisive defeat of the 'privatisers' was a very different price policy followed, this time in order to finance the spectacular expansion of state industry. But much more of this later on.

The approach of many, if not most, party members to the whole question of trade and prices is well expressed in a pamphlet by a leading official of the *Tsentrosoyuz* (central consumer cooperative) organization. For him, the whole point of the spread of cooperative shops was that this would combat and gradually squeeze out the private trader. He was well aware of the fact that the latter could charge much higher prices, owing to the 'goods famine'. However, he drew the conclusion that in 'tearing the mass of commodities out of the hands of elemental market forces, of private trading speculation', consumer cooperatives were helping to 'dig defensive trenches around socialist industry'. It was a matter of 'who shall beat whom' (*кто кого*), part of the battle for socialism. The fact that cooperatives supplied goods cheaper than the private traders, i.e. that they sold at below supply-and-demand prices, was to be used to persuade the peasants to sign contracts undertaking to sell farm produce (at state-fixed prices) in exchange for an undertaking to supply them with manufactured goods (at state-fixed prices), all these prices being below the market level. 'What would it matter if the privateer-speculator paid this or that peasant a few roubles extra per hundredweight of wheat? After all, this would be offset by his bandit-speculation overcharging in supplying the peasants with the goods they need.' The last years of the twenties did see an attempt to make contracts of this kind (*контрактница*) and the author of the pamphlet evidently hoped that these contracts would form the basis of relations between town and village, and grow into 'the higher form of products exchange'. Obviously, such thought-patterns as these were unlikely to be affected by economists' arguments about market equilibrium.

INDUSTRIALIZATION AND THE DRAFT FIVE-YEAR PLANS

These were the years of the political triumph of Stalin, and this was accompanied by a change in the whole atmosphere of Soviet

life. Whether in literature or in philosophy, in the party's own internal arrangements or in the sphere of economics, the line became one of stern imposition of conformity, centralized authority, suppression of uncontrolled initiatives. The Nepmen were thus to some extent victims of a more general tendency. This same tendency led, as did the logic of the industrialization drive, to growing centralization of the state's own planning mechanism. As already noted in Chapter 4, the intention to plan effectively from above was voiced even during the period of high NEP. There was a procedure by which the industrial and financial plans of trusts (*предприятия*) were approved by VSNKh. At first this had little practical effect, but it did provide a mechanism by which control could be tightened. As early as 1925 one finds in planning documents such declarations as: 'The state is becoming the real master of its industry... The industrial plan must be constructed not from below but from above.' (I owe the reference to R. W. Davies.) Procedures for price control existed from the early days of NEP and they began to be used to keep prices of some basic industrial materials and fuels, and also of freight transport, at low levels. Subsidies were often called for. A goods famine therefore developed in the field of producers' goods too. This led by 1926-7 to a more systematic control of production and distribution of some key commodities, particularly metals, by VSNKh. It was only logical that this should result in closer integration between Gosplan's perspective plans and the VSNKh's current operations. Gradually the extent of administrative controls increased, the role of market forces declined. While many branches of industrial activity still operated with very considerable autonomy until the end of the decade, the contours of the future command economy were becoming increasingly visible, and the acute strains and shortages of the next years would lead to much tighter and systematic centralized planning. The plenum of the central committee held in April 1926, emphasizing the need for more capital accumulation, also spoke of 'the strengthening of the planning and the introduction of a regime of planned discipline into the activities of all state organs'. The fifteenth party conference (26 October to 3 November 1926) declared for 'the strengthening of the economic hegemony of large-scale socialist industry over the entire economy

of the country', and spoke of the necessity of striving to achieve and surpass the most advanced capitalist countries 'in a relatively minimal historical period'.

To do this it was necessary to formulate a long-term plan, and

plan were widely discussed among economists during the middle twenties.

Preparatory work for a long-term plan began in earnest in 1927. On 8 June 1927 a decree by the Council of People's Commissars called for the creation of 'a united all-union plan, which, being the expression of economic unity of the Soviet Union, would facilitate the maximum development of economic regions on the basis of their specialization, ... and the maximum utilization of their resources for the purpose of industrialization of the country'. The role of Gosplan was strengthened, and the republican Gosplans placed under its authority. But the expansion of industrial investment did not await the formulation of a long-term plan. In the economic year 1926-7 the total volume of investments increased by 31.7 per cent, but investments in new construction more than doubled.⁷ Persistent shortages of metal caused vigorous efforts to expand production of iron and steel, and also ore mining. The great Dnieper Dam was begun, and so was the Turksib railway. While the volume of investments in this year was soon greatly to be surpassed, they imposed a strain on the economy which reacted on the availability of resources for other purposes and so contributed to the 'goods famine'.

Meanwhile the country's leading experts, belonging to various currents of Bolshevik opinion and those belonging to no party, were hard at work formulating a five-year plan. The teleological school increasingly obtained the upper hand, and so the specialists in Gosplan and VSNKh were under continuous pressure to adopt ambitious growth targets. These pressures and revisions, as well as the truly colossal nature of the task, explains why a five-year plan which was to operate with effect from October 1928 was submitted to the approval of the sixteenth party conference in April 1929, i.e. when implementation was already in full swing. It proved necessary to formulate the plan in two versions: the initial variant and the optimal variant. As may be seen from the

table below, the initial variant was optimistic enough. It was rejected by the sixteenth party conference in favour of the more ambitious version. We shall see that this in its turn was replaced by yet more fantastic targets.

The formation of the plan required an immense amount of detailed work, for which there was no precedent. True there had been 'control figures' for earlier years, and a balance of the national economy had been drawn up, as was mentioned in the previous chapter. However, the huge task of drafting a five-year development plan to transform the economic structure of Russia required much more information about inter-industry links than could be available in the then existing state of infor-

First five-year plan

	1927-8		1932-3		(per cent inc.)	1932-3 (per cent inc.)
	actual	first version	actual	first version		
<i>Aggregates</i>						
Employed labour force (million)	11.3	14.8	(30.2)	15.8	(38.9)	
Investments (all) (1926-7 prices) milliard roubles)	8.2	20.8	(151)	27.7	(228)	
National income (milliard roubles)	8.2	44.4	(82)	49.7	(103)	
Industrial production (milliard roubles)	18.3	38.1	(130)	43.2	(180)	
of which:						
Producers' goods (milliard roubles)	6.0	15.5	(161)	18.1	(204)	
Consumers' goods (milliard roubles)						
Agricultural production (milliard roubles)	16.6	23.9	(44)	25.8	(55)	
Consumption: Non-agricultural (index)	100	152.0	171.4			
Agricultural population (index)	100	151.6	167.4			
E.H.U.-7						

Targets Industrial output	1927-8		1932-3		(per cent inc.)	1932-3 'optimal' version*	(per cent inc.)
	actual	first version					
Electricity (million Kwhs)	5.05	17.0	(236)	22.0	(335)		
Hard coal							
Oil (million tons)	35.4	68.0	(92)	75.0	(111)		
Iron ore (million tons)	11.7	19.0	(62)	22.0	(88)		
Pig iron (million tons)	5.7	15.0	(163)	19.0	(233)		
Steel (million tons)	3.3	8.0	(142)	10.0	(203)		
Machinery (million roubles)	4.0	8.3	(107)	10.4	(160)		
Superphosphates (million tons)	1822	7	—	4688	(157)		
Wool cloth (million metres)	0.15	2.6	(16.3)	3.4	(21.7)		
	97	192	(98)	270	(178)		

(source : *Pyatiletii plan* (3rd edition, 1930), pp. 129 ff. Machinery figures from 'Fulfillment of first five-year plan', p. 273.)

mation and statistics. The detailed targets therefore included much that was insecurely based, and contemporary comment made no secret of this. One of the authors of the plan, G. Grin'ko, writing in February 1929, showed that many of the detailed calculations available at this date were still based on the first variant of the plan, and Grin'ko himself treated the lower variant as 'so to speak a guaranteed minimum within the optimal variant', which would be achieved if the favourable assumptions underlying the more optimistic version proved to be ill-founded.⁸ The plan as adopted was, to say the least, over-optimistic. Miracles seldom occur in economic life, and in the absence of divine intervention it is hard to imagine how one would expect simultaneous increases of investment and consumption, not to speak of the output of industry, agriculture and labour productivity, by such tremendous percentages. Efficiency in labour and management was to be such that costs and prices were sup-

posed to be substantially reduced during the five years. It is hard to see how anybody could have regarded this as realistic at the time, let alone in retrospect.⁹ Yet the optimal variant was shortly afterwards replaced by a still more fantastic series of targets. However, we will defer consideration of this phase until the next chapter.

The five-year plan as adopted far exceeded in the scale of its investments the demand of the defeated left opposition. In 1926 they had been denouncing as far too modest the plans adopted by the Stalin-Bukharin majority. The latter's line had been that Trotsky and his friends were demanding a tempo of growth which would be inconsistent with economic and political balance, with the snychka. They may well have been right. Certain it was that the higher tempos now adopted were inconsistent with the maintenance of the alliance between Stalin and Bukharin. The latter published a veiled attack on excessive and unbalanced growth rates in his 'Notes of an economist' (*Zametki ekonomista*, in *Pravda*, 30 September 1928). Nor were such tempos reconcilable with NEP, and especially with the existing situation in the villages and in agriculture.

The heavy financial expenditures which began in 1927 were partly financed by the placing of industrialization loans, at relatively high rates of interest (thus bonds issued on 1 June 1927 to the value of 200 million roubles, repayable in ten years, carried a 12 per cent interest rate). The need for revenue also encouraged the regime to impose heavier taxes on the Nepmen and kulaks. The policy of charging relatively low prices for the products of state industry was persisted with, however. Inflationary pressure grew, and with it the gap between official and free prices for the products of both industry and agriculture.

Did Stalin adopt a plan which he knew to be impossible, as a political manoeuvre? Did Kuibyshev, the chairman of VSNKh, or Sruumilin, a leading party planner, adopt propaganda plans? It is difficult to say. Planning as a technique was hardly born. Over-optimism, which contributed to the excesses of the 1929-33 period, had already infected the leadership. Productive capacity, human energy, the consequences of a great drive, the effects of enthusiasm, were all over-estimated. It was believed that 'there was no fortress that the Bolsheviks could not take'. The voices

which called for caution, which drew attention to difficulties and bottlenecks, were thought to be those of former Mensheviks or SRs, or bourgeois specialists. The latter were discredited and suspect following a show trial, the so-called *Shakhty* affair, held in 1928, which purported to show that a group of such specialists were wreckers and deviationists in the pay of foreign powers. Caution, and emphasis on balance, were also attributes of the right-wing opposition; they were denounced by Stalin with increasing vehemence in and after 1928. Experts who gave welcome advice were thrust aside; men whose advice was more congenial were put in their places. Perhaps many of the party leaders were genuinely carried away. Some may also have seen some advantage in the mobilizing force of a plan which would cause maximum effort, and so in the end achieve more than a sound, solid, balanced plan would do.

THE PEASANT PROBLEM AGAIN: THE PROCUREMENT CRISIS

However, it is now time to return to the peasants. It had not escaped the notice of Stalin that the ambitious industrial investment plans and the existing structure of peasant agriculture were inconsistent with one another. In his speech to the fifteenth party congress (December 1927), he spoke about the relatively slow rate of development of agriculture, advanced familiar reasons to explain this backwardness, and then said:

What is the way out? The way out is to turn the small and scattered peasant farms into large united farms based on cultivation of the land in common, to go over to collective cultivation of the land on the basis of a new higher technique. The way out is to unite the small and dwarf peasant farms gradually but surely, not by pressure but by example and persuasion, into large farms based on common, cooperative, collective cultivation of the land... There is no other way out.¹⁰

In the resolution adopted by the fifteenth congress one finds the following words: 'At the present time the task of uniting and transforming the small individual peasant holdings into large collectives must become the principal task of the party in the villages.' Yet, for reasons which have already been explained, this

was not understood to mean the imminence of a revolution from above. The general desirability of collective agriculture was not in dispute. If it was to be done voluntarily and by example, there was no danger of anything particularly drastic happening quickly.

Undoubtedly what brought matters to a head was the problem of marketings, in particular of state procurements. Every year the leaders watched anxiously as deliveries mounted in the autumn and winter, wondering if there would be enough to feed the towns and the army and, who knows, something for export too. Attention was particularly concentrated on grain, the key crop since bread was the staff of life in Russia, and because over 80 per cent of all sown land was sown to grain.

Difficulties accumulated after 1926. Some of the reasons have already been mentioned. There was the 'goods famine'. There was the reduction of procurement prices in 1926, affecting particularly grain. This naturally discouraged marketings. The peasants tried to sell grain to the still-surviving private traders rather than to the state procurement agencies, to hold grain in expectation of higher prices, or to feed it to livestock. As Stalin subsequently pointed out, the better-off peasants were able to manoeuvre more effectively than their poorer neighbours to take advantage of any possibility of obtaining better terms. The government reacted by measures against Nepmen, by streamlining the state procurement apparatus to avoid a situation in which different procurement agencies bid against one another, and also by measures against kulaks, who were held responsible for the shortages. Thus the resolution of the fifteenth congress instructed the Central Committee to devise higher and more progressive taxes on the more prosperous peasants. The tone of party pronouncements on the kulak question became sharper. The idea of liquidating them as a class was not yet born, or at least not yet mentioned. However, they were to be limited, penalized and generally discouraged. This was a policy hardly designed to encourage the more ambitious peasants to expand production or investment.

As already mentioned, the fifteenth congress advocated the spread of collectivization. Of the various kinds of agricultural producers' associations, the most promising seemed to be the loosest the TOZ (the letters stand for 'Association for the

Joint Cultivation of the Land'). In these associations the members retained ownership of their tools and implements, most of their livestock and control over their land. They simply carried out some of the farm work jointly. The more advanced forms of producers' cooperation which then existed were thought to be unattractive to the peasants; for instance in the decree of 16 March 1927 it was laid down that the TOZ was to be favoured.

However, in 1927 all the various types of collectives and co-operatives accounted for only a tiny proportion of peasants and of agricultural production, and a few inefficient state farms made little difference to the general picture.

Collective and state agriculture in 1928

	Percentage of sown area
Individual peasants	97.3
Collective farms	1.2 (of which about 0.7 TOZ)
State farms	1.5

(source: *Sotsialisticheskoe stroitel'stvo SSSR* (Moscow, 1935), p. xxix.)

It was considered axiomatic that the peasant problem was to be handled cautiously. Coercion was excluded. Had not Lenin, and before him Engels, warned about the need for patience and the preservation of the voluntary principle? The poorer peasants could be allies, the middle peasants should be befriended, or at least neutralized, the kulaks could and should be restricted or taxed. There were still no grounds to suppose that a storm would break over the heads of the entire peasantry.

But the storm clouds were gathering, and the procurement difficulties of 1927 led to the first flash of lightning. Procurements had apparently been going more or less according to plan until December of that year. Then there was trouble. It became abundantly clear that they would be well below the previous year's level, insufficient to meet the needs of the towns and the army.

The shortfall in grain procurements may be seen from the fact that by January 1928 the state had succeeded in purchasing only 300 million poods, as against 428 million on the same date in the previous year. The shortfall was particularly great in Siberia, the

Volga and the Urals, where the harvest was reasonably good (bad weather was the cause of difficulties in the North Caucasus).¹¹

The effect was not only to create acute problems in supplying the cities with bread, but also to threaten supplies of industrial crops. Thus the maintenance of the cotton acreage in Uzbekistan was threatened by grain shortage there. Archive information shows a flow of complaints about this from local party organizations to the Central Committee.¹² Some of the reasons for this critical situation have already been given: the low price of grain, shortage of manufactured goods, the gap between official and free prices. With grain procurement prices so low, peasants naturally concentrated on other commodities. For example, in the area of the Urals grain sales to the state were only 63 per cent of the previous year, but meat sales increased by 50 per cent, while sales of eggs doubled, bacon quadrupled, and eleven times as much bacon fat was delivered as in the previous year.¹³ Naturally the peasants waited for the rise in official grain prices, the necessity for which seemed quite obvious. However, Stalin and his colleagues drew very different conclusions.

Ignoring the proposals of Bukharin and others to increase grain prices, Stalin decided instead to launch a direct attack, which revived memories of the excesses of war communism. There had been a good harvest in the Urals and West Siberia. There went Stalin with a task force of officials and police. Free markets were closed, private traders thrown out, peasants ordered to deliver grain and punished as criminals if they failed to do so. Stalin made speeches, which were published only twenty years later, denouncing laggard officials, requiring them to seize kulak grain, demanding that they invoke a hitherto unused article of the criminal code (Article 107) against 'speculation', to legalize the seizures. He mocked the 'prosecuting and judicial authorities [who] are not prepared for such a step'. He used extreme language to the party officials, who were slow to understand that a basic change of attitude was expected of them: 'Can it be that you are afraid to disturb the tranquillity of the kulak gentry? You say that enforcement of Article 107 against the kulaks would be an emergency measure, that it would not be productive of good results, that it would worsen the relations in the countryside. Suppose it would be an emergency measure. What

of it? ... As for your prosecuting and judicial officials, they should be dismissed.¹⁴ At the same time, scarce industrial goods were directed to the grain-surplus regions.

Rumours spread that the government 'will pay all foreign debts with grain and is therefore reinstating *prodrazversika*, taking all grain away'. Reporting this and citing contemporary archives, a Soviet writer gave the following typical instance: 'In the village of Pankrushino the kulaks spread the rumour that all grain was being collected in one vast storehouse in the town of Kamensk, that the peasants would be given a bread ration, that armed detachments were scouring the villages for bread and that they would soon arrive.'¹⁵ The same source quotes numerous reports in the press about alleged kulak opposition, though it seems more than probable that this was simply strong peasant reaction to the seizure of their produce.

The kulaks undertook large-scale agitation, asserting that Soviet power impoverished the peasant, did not allow him to improve his income, that NEP was being abolished. Kulaks, priests, former white-guardists endeavoured to utilize in their counter-revolutionary agitation certain cases of distortion [sic] of the Party line in credit and tax policy... In the village of Troitskoye in the Don area there was unmasked a priest who hid grain and organized in the cemetery a kulak meeting, where he made a report on 'grain procurements and the international situation'.¹⁶

This source also admits that there were indeed grounds for agitation.

Not infrequently measures were taken which hit not only the kulaks but the middle peasant. Such measures were: the confiscation of grain surpluses without the judgement of a court under Article 107, administrative pressure on the middle peasant, the use of barrier detachments (i.e. forcible prevention of private transport of grain), the forcible issuing of bond certificates in payment for grain and as a condition for the sale of scarce commodities to the peasants, and so on.¹⁷

Indeed arbitrary confiscation was a common phenomenon, and by strictly interpreting Article 107 the authorities could choose to regard the mere possession of grain stocks as illegal hoarding with a speculative purpose and, therefore, a fit subject for confiscation without payment. Newspapers of the time were

full of reports about evil kulak hoarders of grain, and also of reports concerning peasant meetings in which the delivery of grain to the state was extolled and the kulaks condemned. Such reports must be taken with a pinch of salt. Thus the same source which referred to the payment of peasants with bond certificates instead of money, and referred to it as an impermissible excess, cites approvingly an allegedly spontaneous decision by peasants 'to refuse to accept money and to request payment in bonds for the entire amount of delivered grain', and a resolution worded thus: 'Not a single pound to the private speculator.'¹⁸

Stalin himself concentrated on West Siberia and the Urals, and other senior officials pursued the procurement campaign in other areas: for example, Zhdanov in the Volga region, Kossior in the Ukraine and the Urals, Andreyev in the North Caucasus. The chief coordinator of the entire operation was said to have been Mikoyan.¹⁹ All the above were devoted members of the Stalin faction.

These arbitrary procedures became known – and Stalin so described them himself – as the 'Urals-Siberian method'. In retrospect this must be regarded as a great turning-point in Russian history. It upset once and for all the delicate psychological balance upon which the relations between party and peasants rested, and it was also the first time that a major policy departure was undertaken by Stalin personally, without even the pretence of a central committee or politbureau decision.

Bukharin, Rykov and Tomsky, three of the politbureau of the party, protested vehemently. In April 1928, at the plenum of the central committee, Stalin beat an apparent retreat, and accepted a resolution condemning excesses, reasserting legality and promising that nothing similar would be repeated. But events showed that Stalin's compliance was a mere manoeuvre. Forcible procurements were repeated in many areas in 1928–9. Stalin soon made it clear that the 'Urals-Siberian method' would be used whenever necessary. Yet surely it was obvious that peasants would not increase marketed production if the state would seize the produce at whatever price it chose to pay, and imprison anyone who concealed grain. The outbreak of argument among the leaders was carefully concealed from the public, and from the party membership at large. Only later it became

known that Bukharin, at last realizing what his erstwhile ally was up to, began to speak of Genghis Khan, of 'military-feudal exploitation' of the peasantry, of 'tribute' (*dan*) levied on the village. It was in the context of these fears and feelings that we must read his plea for balanced growth, mentioned on page 147 above. In the already suffocating political atmosphere, he was unable to voice his real fears in public. These concerned most of all the consequences of the coming clash with the peasants.

COLLECTIVIZATION ON THE AGENDA

Stalin and his faction did not yet show any sign that they had decided on an all-out collectivization campaign. Indeed, there is no evidence at all that such a decision was taken until the early autumn of 1929, and the Soviet public first heard of it on 7 November 1929. Some may consider that Stalin had a secret plan all ready for the propitious moment, but this seems unlikely. What he clearly wished to do after the 'Urals-Siberian' episode of February 1928 was to free the regime from over-dependence on the peasantry. This view he had already expressed during his Urals-Siberian tour: 'In order to put grain procurements on a satisfactory basis other measures are required... I have in mind the formation of collective farms and state farms.'²⁰ An immediate consequence of this was the decision, in April 1928, to set up a 'grain trust' (*Zernotrest*), aiming to create new state farms covering 14 million hectares (36 million acres). However, this was still not to be regarded as a step towards more collectivization, since these farms were to be set up on unused land. No one was to be expropriated or forced. Consequently this decision was not a challenge to Bukharin and his friends, and may even have been accepted by them. It proved unworkable and inadequate.

The July 1928 plenum of the central committee was still, so far as its official statements were concerned, dominated by the need to reassure the peasants (or to keep the Bukharin group quiet). True, the resolution spoke of 'voluntary union of peasants into collectives on the basis of new techniques', but no one could object to this, the more so as the absence of new equipment was a principal argument of the 'go-slow' school. The resolution admitted that low grain prices contributed to existing difficulties

and resolved to increase them, but this was a case of much too little and too late. The resolution also spoke of 'the further raising of the level of small- and medium-size individual (peasant) economies'. So at the time there seemed to be a return to moderation. But here again the historian faces the difficulty that some key policy statements were made only behind closed doors. If they were to be included in a chronological account, the surprise and shock which greeted subsequent announcements of policy changes would be incomprehensible. At the same July plenum, Stalin admitted both the need for 'tribute' from the peasants, and that they did and had to overpay for manufactured goods and were underpaid for farm produce. This followed from the need to 'industrialize the country with the help of internal accumulation':²¹ In other words, Preobrazhensky (and Trotsky) were right all along. But this speech too was published only in 1949; when it was made, Trotsky was in Alma Ata under effective house-arrest, and Preobrazhensky had been deported. If anyone chose to remind Stalin of the source of his ideas, this was omitted from the belatedly published record.

In a public speech after the July plenum, Stalin took up an apparently moderate position: 'We need neither detractors nor eulogizers of individual peasant farming,' but he did urge once again the gradual development of collective and state farms. His tone sharpened in his first *public* attack on 'right-wing deviationists' (naming, as yet, no names) on 19 October 1928, and at the November 1928 plenum of the central committee one heard more of the inefficiency of agriculture holding back industry, of the encouragement of collective and state farms, measures to limit the kulaks. In the winter the 'Urals-Siberian method' was quietly reapplied to the peasants, and under cover of anti-kulak measures the method once again hit the middle peasants hard, since, after all, most of the grain came from them. Stalin attacked Bukharin vigorously in the April 1929 plenum of the central committee, but most of his words remained unpublished at the time.

Confusion in the public mind over peasant policies was heightened by the resolution of this plenum, when the word 'tribute', accepted by Stalin in the previous year in an *unpublished* speech, was now treated as a slanderous and lying

accusation directed at Stalin by Bukharin, who was now openly attacked. It was admitted that peasants did overpay for some industrial goods, but this would speedily be put right.

The sixteenth party conference, meeting in the same month, approved the 'optimal' version of the five-year plan, as we have seen. This included a section on agriculture. There was to be a marked advance in collectivization, and by the end of the plan it was hoped to have twenty-six million hectares cultivated by the state and all kinds of collectives (including TOZs); these would provide over 15 per cent of the total agricultural output. It was not at all clear by what means this expansion in agricultural collectivization was to be achieved. However, given five years and the necessary resources, it was not an unrealistic perspective. While in the years 1921-7 there had been no move by the peasants towards any type of collective farming, this could be blamed on the lack of inducement, indeed on the neglect of the few collectives that did exist. Such a programme, if carried out, would still have left the vast majority of the peasantry in the private sector, producing the bulk of every crop and owning most of the livestock.

THE DECISION TO ATTACK

Now that Bukharin was at last openly denounced as a right-wing deviationist (he was not expelled from the politbureau until November 1929), Stalin must have felt free to launch the campaign that was maturing in his mind. Yet by not a word or gesture did he prepare the party, the people, the peasants, for the great turn, the 'revolution from above' which was to shake Russia to its foundations. In fact, even as late as 27 June 1929 a decree on agricultural marketing cooperation still assumed the predominance of the private sector in agriculture for an indefinite period, and we shall see that it was not until the campaign had begun that there was an amendment of the plan to achieve a mere 15 per cent collectivization by 1933.

No document exists which can tell us exactly when Stalin made up his mind. During 1929 the strains of the investment programme of the five-year plan began to affect all sectors of the economy. Rationing of consumers in cities was introduced

gradually during 1928 in some areas and became general early in 1929, perhaps the first and only recorded instance of the introduction of rationing in time of peace. The goods famine increased in intensity. The gap between free and official prices widened, as the following figures demonstrate:

	(1913 = 100)			
	Private	Food Official	Manufactures Private	Manufactures Official
1926 (December)	198	181	251	208
1927 (December)	222	175	240	188
1928 (December)	293	184	253	190
1929 (June)	450	200	279	192

(source: Malafeev, *Istoria tsenobrazovaniya v SSSR* (Moscow, 1964), pp. 384, 385.)

By 1930 the difference increased very rapidly.

Voces from the right urged slowdown, higher farm prices, a modification of the investment programme. Rykov proposed a 'two-year plan', with emphasis on agriculture. Grain procurement prices were in fact raised, far too late, in 1929, by 14-19 per cent,²² but the market situation was such that private traders were buying in that year at prices which rose by over 100 per cent. In the Ukraine, for instance, private traders were buying at 170 per cent above state procurement prices.²³ However, there were a number of arguments for an all-out drive forward. In the first place, it must have already seemed impossible to continue on the basis of a combination of private agriculture and periodic coercion. Secondly, Stalin's faction wanted to prove the right to be wrong, and would benefit from stealing the clothes of the left opposition now that it had been defeated and its leader, Trotsky, exiled. Thirdly, many party activists had all along hated NEP and were willing to throw their energy and enthusiasm into the great tasks of 'socialist construction'. *Pravda* described how the delegates to the fifth congress of Soviets, which approved the five-year plan in May 1929, gazed upon a vast map which showed the various construction projects. 'Before our eyes we saw our country as it will be in five years' time. Exciting prospect! As if by some magic hand the curtains which conceal the future have been parted. The enthusiasm of

the congress found expression in a potent rendering of the Internationale.²⁴ There were doubtless a few cynics present, yet the enthusiasm must have been genuine. Of course the majority of ordinary people may have felt very differently, but this was hardly considered relevant in a country in which nearly 80 per cent of the public consisted of peasants, most of whom could not be expected to feel the dynamism of a socialist transformation and who in any case, when they were not dangerous enemies of the regime, did not know what was good for them. Sacrifices? Well, many young communists found great satisfaction in living hard in tents and huts, building the great factories which would change Russia and make a happy future for generations to come. Stalin himself was no romantic, but saw advantages in harnessing such feelings as these.

So the decision was taken to force up still further the tempos of industrial construction, and launch the campaign to collectivize the peasantry; this meant the majority of the peasantry, not 15 per cent, and immediately, not by 1933. The relevant data are examined in the next chapter.

Why, then, did the 'great turn' happen? Why the revolution from above, why collectivization? Much ink has been expended in discussing these questions. Some of the answers have been indicated in the previous pages. To recapitulate, the following factors were of evident importance:

1. The desire of many party members, and notably Stalin himself, to eliminate an individual peasantry which, as Lenin had said and Stalin repeated, 'produces capitalists from its midst, and cannot help producing them, constantly and continuously'.²⁵ True, Lenin advised caution, persuasion, example. True, the brutal methods which will be described in the next chapter were quite unjustified by doctrine and ideology, a fact which explains the secrecy and plain lies which were characteristic of the entire operation. But what if adherence to the voluntary principle meant the indefinite dominance of individualist agriculture?
2. The problem of industrial development, with priority of heavy industry, and the linked issues of capital accumulation and farm surpluses. Stalin did not deny that there was an alternative road, that of 'making agriculture large-scale by implanting

capitalism in agriculture'. He rejected this as he rejected the kulaks.²⁶ He left himself little choice thereafter. (After all, even kulaks were very modest farmers by Western standards.)

3. The price policies, in industry and agriculture, which developed in 1926 and were obstinately continued, and which could *of themselves* have destroyed NEP, even if no other complications had ensued.

4. The political atmosphere, the prejudices against the market and Nepmen generally, the rise of monolithism and of Stalin, the 'leap forward' psychology. Fears of internal class enemies, and also of the hostile environment, affected both the social policies of the regime and the degree of priority accorded to heavy industry, as the basis of military capacity.

Years later, a Menshevik wrote of Stalin's methods as 'primitive socialist accumulation by the methods of Tamerlane'. He added: 'The financial basis of the first five-year plan, until Stalin found it in levying tribute on the peasants, was extremely precarious. . . [It seemed that] everything would go to the devil. . .'.²⁷

All this in no way justifies what actually occurred. It did occur, and it was not an accident or a consequence of private whims. To understand is not to forgive. It is simply better than the alternative, which is not to understand.

7. *The Soviet Great Leap Forward:*

I. Collectivization

SUDDENLY AND WITHOUT WARNING

The events of 1929–34 constitute one of the great dramas of history. They need much more space than they can possibly receive here, and a more eloquent pen than the author's to describe them. They need also a sounder base in reliable data than is available at present to any historian, in East or West. For we are now entering a period in which the lines dividing propaganda from reported fact tend to disappear, and statistics too often become an adjunct of the party's publicity office. Official statements and pronouncements by leaders can no longer be checked against counter-arguments made by contemporary critics, since criticism is silenced, or is confined to minor local detail. The whole flavour of intellectual life underwent a drastic change. Anyone who knows Russia can observe the change for himself, just by reading articles in learned journals on social-economic issues published in 1928 and comparing them with what was published in, say, 1932. Between these dates not only was serious criticism rendered impossible, but articles became increasingly the vehicle for strident assertions of brilliant successes and denunciations of real or alleged deviationists as agents of foreign powers. Therefore the historian must, so to speak, change gear, and use his source-material differently when he gets into the thirties. He has only very limited help from Soviet archival materials. It is true that, since 1956, more has been published, but still very selectively. Besides, the prevailing atmosphere affected the quality and content even of confidential reporting.

The dramatic events to be described affected virtually every aspect of Soviet life, and to treat them chronologically would, on balance, be more confusing than to tackle each sector separately. So we shall begin with collectivization and its conse-

quences, and go on to industry, construction, transport, finance and trade, labour and living standards and the reorganization of planning.

On 1 June 1929 the total number of peasant members of collectives of all kinds was barely one million, and of these 60 per cent were in the TOZ (loose) type of producers' cooperatives. By 1 October the number had risen to 1·9 million (62 per cent TOZ).¹ It was this increase which gave Stalin the basis for his statement, in his famous article of 7 November 1929, that 'the middle peasant is joining collectives' and that the great turn was under way. That these figures were due at least in part to illegitimate pressures is now admitted by Soviet historians, who also now deny that the peasants were in process of 'going collective' *en masse*.² It seems that, silently and secretly, Stalin and his friends ordered local officials in a few selected areas to try out mass collectivization by whatever means were handy. When the result showed that victory was possible, Stalin, with Molotov and Kaganovich as his closest associates in the matter, decided to launch the collectivization campaign, using for the purpose the activists already mobilized to enforce grain collection by the well-tried 'Urals-Siberian method'. This, at least, is the reasonable conclusion of M. Lewin, in his admirable study of these events. Readers may be confidently referred to his book for details.

No doubt the final defeat of the right opposition facilitated the opening of the offensive. This, indeed, is a point specifically made by one of the ablest recent Soviet analysts of the period, Mosksov: 'The condemnation of the rightists enabled the central committee to operate more consistently the line of the offensive against the kulaks...'. And not only the antikulak policy was affected. Mosksov refers also to instructions of the central committee to party organs in selected grain regions, issued in August 1929, urging them to reach high collectivization percentages in that very year. 'In party circles the view was hardening to the effect that only by collectivization could the problem of grain production be solved.' Mosksov laid considerable stress on the effect on the peasants of the 'new system of procurements', which he identifies as having been enforced by the decrees of 28 June 1929 (R S F S R) and 3 July 1929 (Ukraine).

These have not, as a rule, been noted as important by other analysts, and yet Moshkov treats them as in effect signalling the end of NEP in the village.³

There is much evidence to support this. Until this date, the forcible collections of grain, which had begun early in 1928, were officially described and viewed as emergency measures. However, these decrees provided for the imposition of procurement plans on particular areas by the government, and empowered the authorities to fine (and in some cases, imprison) recalcitrant households who failed to deliver the quantities specified by the delivery plan as it affected them, and to sell up their property if need be. This power, it is true, was to be exercised by local Soviets, which were obliged to call a general meeting. However, whole villages were now receiving procurement quotas, and were encouraged to place the maximum burden on the kulak or other prosperous elements. But all were doomed indefinitely to deliver grain surpluses to the state at low prices. Moshkov very properly makes two further comments. Firstly, this decree, as applied by the government, served as the judicial foundation of the first wave of 'dekulakization', which, as we shall note, had begun already in the second half of 1929, without any declaration or decree specifically to that effect. That is to say, in selected grain-growing areas the kulaks were deliberately over-assessed for grain deliveries and they were then expropriated for failing to obey. Secondly, and more fundamentally, further great changes were bound to follow, since 'as the experience of the civil war showed, the [imposed] planned delivery of grain to the state at prices which were unfavourable to the peasants inevitably led to the reduction in production of grain to subsistence level'.⁴ In other words, the peasants in general (not just the kulaks) were bound to reduce sowings, once the fundamental basis of NEP was subverted by a return to a kind of prodravzverstka. This method of procurement was successful, at least in the short run. The sub-division of the total procurement plan by regions, the mobilization of party personnel, led to a 49 per cent increase in state procurements of grain over the previous year. This could well have increased Stalin's confidence in the effectiveness of political pressure in general, and so 'procurements went parallel with the process of the wholesale

collectivization of whole regions ... and were closely linked with it'.⁵ There is much in favour of such an interpretation of events.

Be this as it may, after Stalin's article on the 'great turn', published on 7 November 1929, a plenum of the central committee was held on 10-17 November. It decided that there existed 'a move of the broadest mass of poor- and middle-peasant households towards collective forms of agriculture', which was described as 'spontaneous' (*stikhinaya*). Given that no such spontaneous move existed in nature, while the entire campaign was conducted on the supposition that it did, and given also that there was no kind of inquiry or prior warning, the events that followed were both confused and, above all, ill-prepared. There is not the slightest evidence that there had been a party or state sub-committee engaged in assessing how best to change the way of life of most of the population of a vast country. Since in fact it was to be decided that the loose TOZ was not 'collective' enough, that the *artel'* with its more advanced degree of collectivism was to be preferred, it is truly extraordinary that nothing was done before December to clarify what kind of *artel'* was intended, for there were many variants: some paid members 'by eaters' (*po eukam*, i.e. in relation to mouths to feed), some in some rough proportion to work done, some in accordance with the land and implements contributed; in some farms a good deal of livestock was collectivized, in others not. Indeed the party cadres were not too clear whether the fully-fledged commune, with total collectivization, was not in the minds of the leaders. We shall see that these confusions had considerable influence on events.

As a Soviet writer on this theme has pointed out, 'Excesses ... were due in part to the fact that there was no clear explanation of the nature of the methods and forms of wholesale collectivization, or of the criteria for its completion. ... Many officials interpreted it ... as the immediate incorporation of all toiling peasants in kolkhozy.' Stalin and his closer co-workers did not consider it essential to discuss the party's new policy for the villages in a broad party forum, such as a congress or conference. If proper discussion had taken place, many mistakes would have been avoided, asserted another writer.⁶

An all-union collective-farm centre (*Kolkhozentr*) was

created, as well as an all-union *Narkomzem* (People's Commissariat of Agriculture), under Yakovlev. The same Yakovlev headed a special politbureau commission set up on 8 December 1929, a month after Stalin announced the great turn, to discuss how to collectivize. It sprouted a whole number of sub-committees, among them one on tempos, another on the organizational structure of collectives, yet another on kulaks, etc. On 16–17 December they met to argue various proposals. On 22 December the commission presented proposals to the politbureau, which became the basis of a decree passed on 5 January 1930. It might be proper to conclude that it had no time to consider the colossally complex issues involved. Ahead of any report, orders were already going out to the localities, urging instant action. Thus a telegram from Kolkhozsentr on 10 December 1929 read: 'To all local organizations in the areas of total collectivization: to achieve 100 per cent collectivization of working animals and cows, 80 per cent of pigs, 60 per cent of sheep and also poultry, and 25 per cent of the collectives to be communes.'⁷

Meanwhile the commission proposed the following timetable 'for total (*sploschnaya*) collectivization': the lower Volga by the autumn of 1930, the central black-earth area and the Ukrainian steppes by the autumn of 1931, the 'left bank Ukraine' by the Spring of 1932, the North and Siberia by 1933.

According to evidence published in 1965,⁸ Stalin and Molotov pressed for more rapid tempos. By contrast, others – such as Andreyev (party secretary of North Caucasus) and Shikhter (Ukrainian commissar for agriculture) – argued for delay. They were overruled. The same source, which had access to archives and quotes them, tells that the unfortunate Yakovlev's draft included the provision that collectivization should take place 'with the preservation of private peasant ownership of small tools, small livestock, milch cows, etc., where they serve the needs of the peasant family', also that 'any step towards communes must be cautious and must depend on persuasion'. Both these limits on arbitrary excesses were crossed out by Stalin himself. It was Stalm's fault, therefore, that the decree of 5 January 1930 contained nothing to suggest to ill-prepared and confused local cadres that they were not to go ahead and collect-

tivize all peasant property down to chickens, rabbits, hoes and buckets. To make their confusion worse, and to ensure the wildest excesses, the head of the party's agitation and propaganda department, G. Kaminsky, declared in January 1930: 'If in some matters you commit excesses and you are arrested, remember that you have been arrested for your revolutionary deeds.'⁹ Stalin and Molotov urged all possible speed. The local cadres appear to have understood their task as – full steam ahead. It was hardly surprising that there was 'unjustified forcing of the pace'. Yakovlev warned in vain: avoid 'administrative enthusiasm, jumping ahead, excessive haste'. The party cadres were to 'lead the spontaneous growth' (*vozglavlyat' stikhiiyi rosy*) of collectivization.¹⁰ He and the recipients of his warning were victims of the myth and the lie. How could they lead a non-existent spontaneous movement? How could they achieve voluntarily what they knew from what they saw in front of them was a coercive operation in its very essence? A Soviet researcher found a report in the archives which stated the following: 'Excesses are to a considerable extent explained by the fact that regional and local organizations, fearful of right-wing deviation, preferred to overdo rather than underdo (*predpochli peregrut' chem nedognut'*). Similarly, Kalinin reported that collectivization of all livestock was being undertaken by officials 'not of their own free will, but owing to fear of being accused of right-wing deviation'.¹¹

Local officials announced: 'He who does not join a kolkhoz is an enemy of Soviet power.' They had 'either to achieve 100 per cent (*sploschnaya*) in two days, or hand in your party card'. The assault was launched, regardless of lack of preparation, regardless of local conditions, of opinion, of everything except the great campaign. There was, one can see, some logic against going slow: peasants who knew what was coming would react by cutting down production, perhaps destroying their tools and livestock. Better get it over, and before the spring sowing.

THE LIQUIDATION OF THE KULAKS AS A CLASS

But if whole regions were to be 100 per cent collectivized, what was to be done with the kulaks? During the second half of 1929

a debate on this question went on. It was at this point not yet clear what kind of collectivization campaign there would be, but already the issue of possible expulsion or expropriation of kulaks was posed. The majority view was against such drastic solutions. In June 1929 *Pravda* headed an article with the words: 'Neither terror nor dekulakization, but a socialist offensive on NEP lines.' Others believed in a grave danger to Soviet power in the kulaks,¹² though one might have thought that their opposition was due in large part to the measures which were being taken against them. The debate ceased when Stalin, in his statement to the 'agrarian Marxists' at the end of December 1929, asserted and justified the principle of their 'liquidation as a class'. They were not allowed to enter the collectives, presumably in case they dominated them from within, as they had dominated many a village assembly (*skhod*) in the twenties.

Stalin's justification of these drastic measures showed how, once the opposition was silenced, he became contemptuous of serious argument. Millions were to be uprooted, a mountain of human misery created, because the grain produced and marketed by kulaks could now be replaced by collective and state farms. In consequence,

Now we are able to carry on a determined offensive against the kulaks, eliminate them as a class... Now dekulakization is being carried out by the masses of poor and middle peasants themselves... Now it is an integral part of the formation and development of collective farms. Consequently it is ridiculous and foolish to discourse at length on dekulakization. When the head is off, one does not mourn for the hair. There is another question no less ridiculous: whether kulaks should be permitted to join collective farms. Of course not, for they are sworn enemies of the collective farm movement.¹⁴

These harsh phrases put a stop to a painful and serious discussion of the kulaks' fate. But in fact, by a mixture of local party cadres' improvisations and semi-spontaneous quasi-looting, the process of dekulakization had begun before Stalin's words had seen the light of day.

At first there was no clear line. Local officials, acting 'at their own risk and peril', began deportations, these being linked at

first not with collectivization but with measures to enforce grain deliveries, as mentioned above. Only on 4 February 1930 was there an instruction issued from the central committee about how to treat the kulaks. According to Vytsan, over 320,000 kulak households (i.e. presumably about 1·5 million people) were 'dekulakized' by 1 July 1930, i.e. their property was confiscated and, presumably, they were exiled. The official party history claims that only 240,757 kulak families were deported from the regions of wholesale collectivization.¹⁵ But the total number of kulaks seems to have been about one million households. What ultimately happened to this much larger number – 4½ million people at least – is left unclear.

What is quite clear is that collectivization went hand in hand with dekulakization, and dekulakization with half-disguised robbery. Poorer peasants seized their neighbours' goods in the name of the class struggle, or with no excuse at all, and the officials found themselves instructed to 'win the support of poor peasants', and were then blamed for 'allowing the distribution of kulak property among the poor and landless, in contradiction of party directives'.¹⁶ In fact Stalin intervened to prohibit the dispersal of kulak property among poor peasants, since this would make their subsequent collectivization more difficult by giving them something to lose. His conclusion (in February 1930) was: since dekulakization only made sense in relation to collectivization, 'Work harder for collectivization in areas in which it is incomplete'.¹⁶

Details of just who was or should have been dekulakized are still inadequately documented. Even the text of the decree of February 1930 must be reconstructed from indirect evidence. However, several sources confirm that kulaks were divided by this decree into three categories. The first, described as 'actively hostile', were to be handed over to the OGPU (political police) and sent to concentration camps, while 'their families were subject to deportation to distant regions of the north, Siberia and the far east'.¹⁷ The second category was described as 'the most economically potent kulak households'. These were to be deported outside the region of their residence. Finally, the third group, regarded as least noxious, were to be allowed to remain in the region but were to be given land of the worst kind. The

property of the first two categories was virtually all to be confiscated. Those in the third category were to be allowed to keep essential equipment, which implied partial confiscation. On their inferior land they were to grow enough crops to meet the very large demands of the state for compulsory deliveries. The same source specifically mentions extremely high procurement quotas, and taxes rising to 70 per cent of their income.

Failure to deliver produce or to pay taxes was considered as anti-Soviet activity, and was often followed by deportation. It is clear from the evidence that many of these deportations took place after 1 July 1930, so it is quite probable that in the end all the persons described as kulaks were in fact deported. Some details of the procedures used may be found in the archives of the Smolensk party committee. Others will be cited in succeeding pages.

It is also clear that persons who were not kulaks at all were arrested and deported. How else can one interpret a warning to be found in the Smolensk archives, against continuing to deport so-called 'ideological' kulaks, these being plainly opponents of collectivization, rich or poor? In the archives may also be found references to kulaks being robbed of their clothes and boots, and those engaged in the process of dekulakization were known to requisition and drink any vodka found in the kulak house.¹⁸ Orders were issued to stop such behaviour. But what could the government expect? There were few reliable party members in the villages and they had to utilize and encourage any ragged ruffians who could be prevailed upon to expropriate and chase out their better-off neighbours (in the name of the class struggle, of course). The party and police officials found themselves vying with each other in their dekulakizing zeal. If families were separated, children left uncared for, thousands sent on journeys with little food and water to Siberia in railway wagons, then this seems to have been accepted as an inevitable part of the struggle to extirpate the last exploiting class. There were far more warnings against 'rotten liberalism', and sentimentality than there were against so-called excesses. Soviet sources insist to this day that the excesses of this class struggle were due in the main to the strong anti-kulak feelings in the countryside among the ordinary people. This point is made by Tritonov, though he

does say that numerous errors of policy also occurred. One would like to see more evidence of the extent of spontaneous action. Some of the resolutions cited in Trifonov's book look suspiciously as if they were adopted by a party activist and rammed down the peasants' throats.

COERCION AND TEMPORARY RETREAT

The great assault was launched amid indescribable confusion. It may be, as has been argued by Olga Narkiewicz,¹⁹ that some or much of collectivization remained on paper, or was confined to reports by perplexed, confused or over-enthusiastic comrades. The fact remains that it was announced by 20 February 1930 that 50 per cent of the peasants had joined collective farms, of which most were either arтели or 'communes'. The TOZ was largely discarded. Half of the peasant population in seven weeks!

Of course the threat of being labelled a kulak was widely used as a means of cajoling peasants to join. Those strongly opposed could be, and were, deported as kulaks, whatever their economic status. This was a vast exercise in coercion, and the bewildered peasants wondered what had hit them. No doubt, in the absence of adequate briefing or preparation, there were great variations in different localities. Until much more is published, we simply cannot tell. But this was indeed a 'revolution from above'.

Large numbers of conflicting instructions have been cited by Soviet analysts, which help to explain the variety of policies followed on the spot. Occasional warnings were published in the central press in January–February 1930, particularly on the undesirability of forcing collectivization in the more backward national republics. However, the warnings were sometimes ambiguously worded, and the regional party committees issued equally ambiguous orders. Thus Bogdenko quoted from the archives of the Siberian party resolutions warning severely against excesses, but demanding at the same time the completion of collectivization by that very spring. Since at the date of the 'warning' (2 February 1930) only 12 per cent of Siberia's peasants had been

collectivized, the campaign inevitably continued, or even intensified. In Georgia, Armenia, Kazakhstan and Uzbekistan there were said to be a few areas (ill-defined) suitable for wholesale collectivization.²⁰ Not very surprisingly, all these measures produced a sharp reaction from the peasants. Thus in Central Asia alone in the first five days of March 1930 the archives record forty-five open demonstrations ('*vystupleniya*) involving 17,400 persons.²¹ Another source refers to 'rebellions and agitations' (*myavetzi i volneniya*), provoked by 'kulaks and anti-Soviet elements in some places'.²²

Why deport so many real or alleged kulaks? Did this not, at a blow, deprive Soviet agriculture of its most energetic and knowledgeable husbandmen? Lewin has suggested the most probable reason: to drive the middle peasants into the collectives, not only by scaring them but also by finally slamming in their faces the door to their future advance *qua* individual peasants; that door, it was demonstrated, led to kulak status and that was a fairly sure ticket to Siberia. As well as kulaks, the terminology of the time identified an even less definable category, *pokutach-nik*, or kulak-supporter (or 'sub-kulak'), to whom repressive measures were also applied as and when necessary.

A Soviet writer has stated quite frankly that 'most party officials' thought that the whole point of dekulakization was its value as an 'administrative measure, speeding up tempos of collectivization',²³ which clearly means that it had great value as a weapon of coercion in relation to the peasantry as a whole. (Kulaks were not eligible to join the collectives!)

But chaos, despair and coercion would not get the spring sowing done. After encouraging excesses of every kind, Stalin called a halt. With a rare effrontery, he blamed the local officials. They were 'dizzy with success'. He wrote: 'The successes of our collective farm policy are due, among other things, to the fact that it rests on the *voluntary character* of the collective-farm movement' (his emphasis). He warned against ignoring regional and national differences. He admitted that there was some 'bureaucratic decreeing' of collectivization, which lacked reality, and threats, such as depriving some peasants in Turkestan of irrigation water and manufactured goods unless they joined. In the same article, Stalin advocated the *artel*' form of collectives

and said that within the *artel* 'small vegetable gardens, small orchards, the dwelling houses, some of the dairy cattle, small livestock, poultry, etc. are *not socialized*'. He denounced the collectivization of poultry, of dwelling houses, of all cows, the removal of church bells, the 'over-zealous socializers'.²⁴

This seemed to imply a renunciation of the coercion principle, a condemnation of what the party cadres in the villages had been so feverishly seeking to accomplish, and from the (very) highest level.

Within weeks the proportion of the peasantry collectivized fell from 55 per cent (1 March) to 23 per cent (1 June). Perplexed and demoralized officials were made scapegoats and fools. The letter of one such to Stalin has been published; Khataevich (a prominent party secretary) wrote on 6 April 1930: 'We have to listen to many complaints [from party cadres] that we have been wrongly declared to be *dunderheads* [*golovotzyry*]. Really, instructions should have been given to the central press so that, in criticizing the deviations and excesses which took place, they should attack and mock not only local officials. Many directives on collectivizing all livestock, including the smallest types, came from Kolkhozsentr, from the agricultural commissariat.²⁵ He might have been trying to shame Stalin. (No prize is offered for guessing whether Khatayevich survived the great purge.)

Others 'went so far as to forbid people to read Stalin's article, removed the issues of the newspapers containing the article, and so on'. Archives show that some local officials treated the new policy as a surrender to the peasants.²⁶ In fact the confusion was increased because Stalin's article was ambiguous. He called, it is true, for the end of excesses and of coercion. But he also called the party to 'make firm' (*zakrepit*) the existing level of collectivization. It was not too clear whether, and if so on what terms, peasants could be allowed to leave the farms. It took many weeks of clarification before it was finally forced upon party officials in some regions that Stalin's directive, and the resolution of the central committee which followed it, really did mean that one could walk out. The very great regional variations are shown by the following extract from a much longer

Percentage of peasant households collectivized, 1930

	<i>1 March</i>	<i>10 March</i>	<i>1 April</i>	<i>1 May</i>	<i>1 June</i>
<i>U.S.S.R. Total</i>	55.0	57.6	37.3	?	23.6
North Caucasus	75.8	79.3	64.0	61.2	58.1
Middle Volga	56.4	57.2	41.0	25.2	25.2
Ukraine	62.8	64.4	46.2	41.3	38.2
Central black-earth region	81.8	81.5	38.0	18.5	15.7
Urals	68.8	70.6	52.6	29.0	26.6
Siberia	46.8	50.8	42.1	25.4	19.8
Kazakhstan	37.1	47.9	56.6	44.4	28.5
Uzbekistan	27.9	45.5	30.8	?	27.5
Moscow province	73.0	58.1	12.3	7.5	7.2
Western region	39.4	37.4	15.0	7.7	6.7
Belorussia	57.9	55.8	44.7	?	11.5

(source: Bogdenko (citing archive and other materials), p. 31.)

Several conclusions follow. One is the fantastic ups-and-downs in the lives of the large majority of the population of the Soviet Union within a few short months. Another is the variation in the extent to which the peasants could (or were allowed to, or wanted to) leave collectives. Thus a large number were retained, no doubt by appropriate pressures, in such key grain-surplus areas as the North Caucasus and Ukraine, whereas in some other areas collectivization was almost abandoned (see figures for Moscow, the West and Belorussia). Finally, the pressure to collectivize in some Asian republics started late and was continued well after 'Dizzy with success', as the Kazakhstan figures show – and this despite particularly emphatic warning to go carefully and slowly in the complex circumstances of these backward areas. But by the end of April there was an outflow of peasants from the half-baked kolkhozes in all areas, though at different rates, while, in the words of a Soviet scholar, 'conditions in the villages, created by excesses, were strained in the highest degree'. In many areas, a very large proportion even of poor peasants and landless labourers walked out.²⁷ It is interesting that many of them formed what were described as 'cooperatives of the simplest type' and tried to work together.²⁸ It is one of the tragedies of this period that this and other kinds of genuine cooperation were so quickly wiped out.

Yet, amid all this chaos, the heavens chose to smile. The weather was excellent, somehow most of the sowing did get done, and the 1930 harvest was better than that of 1929, and notably better than the harvest that succeeded it (see table on page 186).

The official Soviet explanation suffers to this day from an inbuilt defect. Thus the authoritative article published in 1965 takes the following line. It asked if it was wrong to press on with collectivization, and answered: 'No. Under conditions of capitalist encirclement and constant threat of intervention, it was impossible to delay for long the reconstruction of agriculture, the liquidation of counter-revolutionary kulaks.' It was admitted that in November–December 1929 Stalin exaggerated the peasants' desire to be collectivized, that he pushed officials into excessive haste and harshness; warnings that 'the Leninist voluntary principle' was being disregarded were ignored by him. In discussing whether heavy losses in livestock could have been avoided, the authors declared: they were avoidable 'if the Leninist principle of the voluntary entry of peasants into kolkhozes were undeviatingly observed'.²⁹ But this (if the authors will forgive me) is simply not a tenable position. How can one assert the necessity of collectivization (and defend 'dekulakization' too, thirty years after the event), and solemnly assert that collectivization should have been voluntary? It could not have been done without mass coercion, and they must have known it perfectly well. Privately, Soviet scholars are willing to admit this. But this whole area remains thickly strewn with myths.

The old village community organizations (*okshchina, mir*) were formally dissolved, in areas subject to collectivization, by a decree of 30 June 1930. Their functions were taken over by the collective farms and by rural Soviets.

THE OFFENSIVE RESUMED

Gradually, the peasants were forced, persuaded, cajoled, taxed, ordered, back into collective farms. The total figures for the U.S.S.R. (for July) are as follows:

	1930	1931	1932	1933	1934	1935	1936
Percentage of peasant households collectivized	23.6	52.7	61.5	64.4	71.4	83.2	89.6
Percentage of crop area collectivized	33.6	67.8	77.6	83.1	87.4	94.1	—
(source: <i>Sosstatisticheskoe stroitel'stvo SSSR</i> (1936), p. 278. State farm area and households included.)							

The full story of how it was done has yet to be told. Only some of the facts are as yet available. Peasants outside the kolkhoz were given inferior land, were loaded with extra taxes or delivery obligations, or both. There were repeated instances in 1931–2 of compulsory purchase of peasant livestock.³⁰ More areas were declared as due for all-round collectivization. Thus a decree of 2 August 1931 specified the 'cotton-growing area of Central Asia, Kazakhstan and Transcaucasia and beet-growing areas of the Ukraine and central black-earth regions' as being due for collectivization during 1931. A long and bitter struggle raged. Peasants slaughtered livestock. Sholokhov has left a vivid picture of what happened:

Stock was slaughtered every night in Gremyachy Log. Hardly had dusk fallen when the muffled, short bleats of sheep, the death-squeals of pigs, or the lowing of calves could be heard. Both those who had joined the kolkhoz and individual farmers killed their stock. Bulls, sheep, pigs, even cows were slaughtered, as well as cattle for breeding. The horned stock of Gremyachy was halved in two nights. The dogs began to drag entrails about the village; cellars and barns were filled with meat. The cooperative sold about two hundred poods of salt in two days, that had been lying in stock for eighteen months. 'Kill, it's not ours any more. . . . Kill, they'll take it for meat anyway. . . .' 'Kill, you won't get meat in the kolkhoz...' crept the insidious rumours. And they killed. They ate till they could eat no more. Young and old suffered from stomach-ache. At dinner-time tables groaned under boiled and roasted meat. At dinner-time everyone had a greasy mouth, everyone hiccupped as if at a wake. Everyone blinked like an owl, as if drunk from eating.³¹

The new farms lacked all experience in handling the collectivized livestock. Many died of neglect. The party activists from the towns sent to supervise the peasants were ignorant of agri-

culture, suspicious of advice. The already-cited authoritative article admits to something of a crisis in 1932, owing to bad planning, low pay, crude coercion within kolkhozes, poor organization of work, and unfavourable weather ('subjective and objective factors'). With remarkable restraint, the authors comment: 'The kolkhozes could not immediately show the superiority of socialized over individual production.'³²

Collectivization spread into primitive, pastoral Kazakhstan, with catastrophic results. Livestock losses were disastrous everywhere, but in Kazakhstan they virtually wiped out the sheep population (and many of the Kazakhs too, since this nationality declined by over 20 per cent between the 1926 and 1939 censuses).

	Kazakhstan, sheep and goats
1928	1935
(millions)	1940
19.2	2.6
	7.0

(source: *Nar. khoz. Kazakh. SSR*, 1957, p. 141.)

Shortages of fodder were a major cause of the reduction in livestock in some areas, notably in the Ukraine, where the state's exactions left very little on which to feed animals. In 1931 sowing suffered acutely from the appalling state of the hungry horses.³³

Among methods used to force peasants back into collectives were arbitrary exactions known as 'hard obligations' (*tvordye zadaniya*) to deliver vast quantities of grain to the state. Thus, to take one example, in September–October 1930 in the Crimea 77 per cent of all those assessed for special obligatory deliveries failed to deliver the required amount, despite what the source called 'the toughest struggle', and they were punished by sale of their property, fines, imprisonment, etc., the exact figures being cited from the archives by the source.³⁴

Similar measures were taken in other regions. Kulaks had been largely liquidated in 1930, so the attack was now on 'kulak and better-off' peasants, and was quite clearly intended, in the winter of 1930–31, to drive the peasants back into the collectives. To cite the same source again, 'This struggle grew into another wave of liquidations of kulaks as a class, which in its turn was

directly linked with the new wave of collectivization in the winter and spring of 1931.' This was repeated in 1931-2, and there were also many cases reported where obstinate individual peasants' privately-owned horses were compulsorily used on the collective farms.³⁵ Some victims of these measures were deported, others evaded ever-growing delivery obligations by joining collectives 'voluntarily'. Moshkov commented: 'The [exceptional] delivery obligations affected not only kulaks but also the upper strata of the middle peasants. However, in practice, they were treated differently to kulaks, being given the chance [*sic!*] to enter the kolkhozes.'³⁶ Percentages rose, though detailed evidence shows that some peasants left the kolkhozes, many fleeing to work in towns and on construction sites.

THE 1932-3 CRISIS

In 1932, faced with mass pillage of 'socialist' property by the demoralized and often hungry peasantry, the following draconian legislation was adopted, as an amendment to Article 58 of the Criminal Code: pilfering on the railways and of kolkhoz property (including the harvest in the fields, stocks, animals, etc.) was to be punished 'by the maximum means of social defence, shooting, or, in case of extenuating circumstances, deprivation of freedom [i.e. prison or camp] for not less than ten years, with confiscation of all property'.³⁷ Even Stalin did not do such things without good reason. The fact that such laws were passed in peacetime shows that he, at least, knew he was at war. His letter to Sholokhov, which Khrushchev cited thirty years later, showed what he thought Sholokhov had protested against excesses in the area of the Don in 1933, which had included mass arrests (also of communists), illegal seizures, excessive grain procurements; Stalin in his reply admitted that some officials, in working against 'the enemy', also hit friendly persons 'and even commit sadism'. 'But ... the honourable cultivators of your region, and not only your region, committed sabotage and were quite willing to leave the workers and the Red Army without grain. The fact that the sabotage was silent and apparently gentle (no blood was spilt) does not change the fact that the honourable cultivators in reality were making

a "silent" war against Soviet power. War by starvation, my dear comrade Sholokhov.'³⁸

This, of course, was the point made by Stalin in his famous talk with Churchill, reported in Churchill's War Memoirs. Stalin it was who compared his struggle against the peasants with the terrible experience of the war against the Germans.

The essential problem was all too simple. Harvests were poor.

The peasants were demoralized. Collective farms were inefficient, the horses slaughtered or starving, tractors as yet too few and poorly maintained, transport facilities inadequate, the retail distribution system (especially in rural areas) utterly disorganized by an over-precipitate abolition of private trade. Soviet sources speak of appallingly low standards of husbandry, with 13 per cent of the crop remaining unharvested as late as mid-September in the Ukraine, and some of the sowing being delayed till after 1 June.³⁹ Very high exports in 1930 and 1931 (see p. 180, below) depleted reserves, and the rapid growth of the urban population led to a sharp increase in food requirements in towns, while livestock products declined precipitately with the disappearance of so high a proportion of the animals. The government tried to take more out of a smaller grain crop. We now have food and fodder balances for the years 1928-32, and also *per capita* consumption figures.

	Kilograms per capita							
	Bread grains		Potatoes		Meat & lard		Butter	
	A	B	A	B	A	B	A	B
1928	174.4	250.4	87.6	141.1	51.7	24.8	2.97	1.55
1932	211.3	214.6	110.0	125.0	16.9	11.2	1.75	0.70

(SOURCE: Moshkov, *Zemstvenaya problema v gody sputstvoi kollektivizatsii* (Moscow University, 1966), p. 136, quoting archives.)

These figures show that urban citizens ate more bread and potatoes, in the place of meat and butter. But the peasants ate less of everything. That was the result of deliberate policy. A Soviet scholar commented that the vast increase 'in state procurements during the years of wholesale collectivization, with low levels of grain production, cannot be explained merely by errors, imperfections of planning or ... by the ignoring of

the interests of agriculture and of the rural population, as is alleged by bourgeois writers in the West. The country was laying the foundation of a mighty industrial base.⁴⁰ Yes, but primarily at the peasants' expense. Procurements in 1931 left many peasants and their animals with too little to eat. The Ukraine and North Caucasus suffered particularly severely. Collectivized peasants relied almost exclusively on grain distribution by kolkhozes for their bread, since money was virtually useless in this period; bread was rationed in towns and unobtainable in the country save at astronomical 'free' prices (see next chapter). These excessive procurements threatened the very existence of the peasantry in some areas. In fact, according to Moshkov, exactions were so severe that the state had to return grain which had already been collected (21 per cent of the total in West Siberia, for instance) so that there would be some seed, food and fodder. There were tremendous variations between areas and between farms in the same area, owing to the almost incredible arbitrariness of the procurement organs.⁴¹

All this led in 1932 to trouble, pilfering, indiscipline, concealment of crops. As a result, Stalin evidently decided to relax the procurements pressure somewhat, and the procurement plan for 1932, which had originally been fixed at an impossible 29·5 million tons, was reduced to 18·1 millions, while greater freedom was offered to kolkhozes and remaining individual peasants to sell on the free market, provided the reduced delivery plan was fulfilled first.⁴²

However, conditions grew even more chaotic. Procurement organs relaxed their pressure, and, because of the vast disparity between the low state buying prices and the very high free market prices, grain flowed into unofficial channels, and in particular into the peasants' own storehouses, since the harvest was not a good one and the food shortages of the previous winter were vividly recalled. Discipline collapsed in some areas. The reduced state procurement plan was threatened. Telegrams from Moscow had no result. In the North Caucasus the harvest was particularly poor, a mere 4·4-5·9 quintals per hectare, a miserable crop on the best land in the U.S.S.R. In this area, and in the Ukraine, evil-intentioned persons succeeded in awakening private property feelings, in diverting many kolkhoz peasants from the

correct path and poisoning them with individualism. Some kolkhozes in the North Caucasus and the Ukraine ceased to come under the organizing influence of the party and the state.⁴³ (These are very strong words indeed for a Soviet author, indicating a kind of rebellion.)

This led to state counter-measures, which in turn led to the great tragedy: the famine of 1933. 'All forces were directed to procurements.' The law of 7 April 1932, which, as we have seen, provided for the death penalty for pilfering foodstuffs in kolkhozes, was used against those who 'with evil intent refused to deliver grain for [state] procurements. This particularly affected socially alien groups. Organizers of sabotage in kolkhozy were handed over to the courts, including degenerate communists and kulak-supporters among the kolkhoz leadership. In accordance with the central committee directives, regions which did not satisfactorily fulfil procurement plans ceased to be supplied with commodities. . . Illegally distributed or pilfered grain was confiscated. Several thousands of counter-revolutionaries, kulaks and saboteurs were deported. . .'⁴⁴ The party was purged. In the North Caucasus 43 per cent of all investigated party members were expelled. There were some appalling excesses. Stalin declared, in a speech to the Politbureau on 27 November 1932, that coercion was justified against 'certain groups of kolkhozes and peasants', that they had to be dealt a 'devastating blow'. Kaganovich announced that rural communists were guilty of being 'pro-kulak, of bourgeois degeneration'.⁴⁵ Mass arrests went beyond all bounds; half of local party secretaries in the North Caucasus were expelled on orders of Kaganovich. 'All grain without exception was removed, including seed and fodder, and even that already issued to peasants as an advance [payment for workdays].'⁴⁶ The result was 'an extremely grave food shortage in many southern areas', and a 'heavy loss of livestock', which took a long time to repair. Much the same happened in the Ukraine. A local party secretary commented: 'Without administrative pressure on the peasant we will not get the grain, so it does not matter if we overdo things a little.'⁴⁷ In January 1933 a more orderly system of compulsory procurements was decreed, based on acreage sown, replacing the purely arbitrary (though nominally voluntary)

system of *kontraktatsiya*. But the damage had already been done. The famine, part and consequence of the struggle described above, was terrible.

Grain procurements did indeed increase, as the following figures demonstrate:

State grain procurements (millions of tons)					
1928	1929	1930	1931	1932	1933
10.8	16.1	22.1	22.8	18.5	22.6
-0.29	0.18	4.76	5.06	1.73	1.69

Grain exports (millions of tons)					
1927-8	1929	1930	1931	1932	1933
-0.29	0.18	4.76	5.06	1.73	1.69

(SOURCE: Soviet trade returns.)

The Soviet population in 1926 was 142 millions, and for 1932 it was officially estimated at 165.7,⁴⁸ since it had been increasing at the rate of about 3 millions a year. In 1939, seven years later, it was only 170 million. Somewhere along the way well over 10 million people had 'demographically' disappeared. (Some, of course, were never born.) Many died in the terrible early thirties. Eye-witnesses saw starving peasants, and I myself spoke to Ukrainians who remembered these horrors. Yet neither the local nor the national press ever mentioned a famine.

There have been, as far as can be discovered, only two references in Soviet print to the famine, even in recent years (the official histories mention only a 'shortage of food', at most). One was in a novel: Stadnyuk's *Ljudi ne angely*. The other was in a work by Zelenin, which quoted archives concerning 'mass instances of swelling from hunger, and death' as occurring in the Central black-earth region, an area which Western observers did not regard as seriously affected by the famine.⁴⁹

In his autobiography Koestler described a visit to Kharkov at this period. As well as hunger there was a breakdown of electricity. Newspapers failed to appear. When they were eventually printed, they mentioned neither food shortages nor the power

breakdown. Clearly, historians who believe that there is no fact without documentary proof would be hard put to it to describe the events of the period.

Finally to wind up this deplorable story, the nine million peasants left outside collectives in 1934 were duly attacked. They were, it seems, cold-shouldered and treated as hostile elements, but allowed to survive. This toleration was treated as a 'right-wing deviation'. On 2 June 1934, at a conference of officials on collectivization, Stalin demanded – and this is quoted from the archives – that 'in order to ensure the uninterrupted growth of collectivization, there should be a tightening of the tax screw (*nalogovyi press*) on the individual peasants'.⁵⁰ Yet this article ends with the still-compulsory myth (this in 1964!): 'The multi-million peasantry became even more convinced of the incontrovertible superiority of socialist agriculture, of the mighty kolkhoz system.'

The organization structure of kolkhozes was at first quite confused. Stalin laid down that the *artel* was to be predominant, and in 1931 91.7 per cent of collectivized land was within *arteli* (47 per cent *TOZ*, 3.6 per cent communes). However, internal arrangements were exceedingly haphazard, peasants' rights were ill-defined, their incomes uncertain not only in quantity (they remained that until 1966) but also in their nature. How was payment to be made? The June 1931 plenum of the party decided that payment must be in accordance with work done, and not per head or per 'mouth'. A rough-and-ready system of piece-rates was to be devised. This gradually became the *trudoden'* (work-day unit), which was 'legalized' by decree of 5 July 1932, and more closely defined in January 1933. These and other rules became ultimately embodied in the model charter of kolkhozes, adopted in 1935, of which more in Chapter 9.

PARTY CONTROL AND THE MTS

Kolkhozes were under the close supervision and tutelage of the party. The party sent out 25,000 urban activists to act as supervisors, farm chairmen, political officers. Their ignorance of rural questions and misunderstanding of the peasant mind contributed to the errors and excesses of the period. A key

element in the control mechanism was provided by the procurement organs (*Zagorzhno*, and others), but perhaps the most important were the Machine Tractor Stations (MTS), which require more detailed examination.

The 'ancestor' of MTS was a 'tractor column', a state-run tractor service, rendered to individual peasants as well as to the few collective or state farms, in the Odessa province. The MTS were organized after a decree of 5 June 1929. At first they were run as a kind of joint enterprise, with peasants buying shares in *Traktorsein*,⁵¹ but they became fully-fledged state-controlled organizations. It was decided during the process of collectivization to give the MTS such tractors and other power-driven machines as were available, and to make of them a kind of compulsory service agency, while simultaneously stressing their role as supervisors (decree of 1 February 1930). In January 1933 the party plenum decided to create political departments in the MTS and state farms, of which more in a moment. So from the first the MTS developed into a unique combination of providing both tractor-power and political-economic guidance. Their contractual relationships with kolkhozes had been based, since February 1933, on payments in kind, usually in the form of a percentage of the harvest. Perhaps for this reason 1933 saw the birth of a statistical device, 'biological yield', which, as will be shown later, overstated the harvest. The state's share, received via payments in kind for the work of the MTS as well as by direct procurements, was increased by this device. Tractor production rose substantially in these years, but at first the net effect was merely to replace the haulage power of horses slaughtered during collectivization.

The political departments of the MTS were, on the face of it, another means of exerting pressure on the peasants. Yet in a well-documented paper on the subject, the Soviet historian Zelenin shows that things did not always work out that way. The political departments were responsible to the party's central committee, and were not under the party secretary of the district which they operated, a circumstance which caused much friction. Each political department included a representative of the OGPU (political police). The head of the department was, *ex officio*, deputy director of the MTS and charged with vast powers over

production plans and procurement activities. These heads were specially selected, largely volunteers. Zelenin's evidence shows that, when they reached the villages early in 1933, they saw with their own eyes the dreadful effects of the excesses described above. They talked to the peasants, they argued, they learned. Being told to bring some order into the situation in agriculture, they quickly realized that excessive procurements must be cut down, that peasants must be allowed adequate incentives. They found themselves instructed instead to purge the kolkhozes of subversive elements – for Stalin's line was that the enemy, disguised as storemen, bookkeepers, agronomists, was engaged in 'silent sapping'. So it was reported by the political department that, in 1933, in twenty-four provinces of the U.S.S.R. 34.4 per cent of storemen, 25 per cent of bookkeepers, etc. were dismissed, and 'many were accused of wrecking'.⁵² Many political officers came into conflict with their OGPU colleagues, who were too apt to arrest and dismiss, as archive material quoted by Zelenin shows. In the end, many political departments began to defend peasant interests, and in particular to protest against excessive grain procurements, especially when the authorities sought to increase delivery plans over and above the norms supposedly laid down by the compulsory procurement decree of January 1933 (a practice which continued). In the June 1934 plenum of the central committee, the head of the grain procurement organization accused local officials, including the heads of political departments, of 'anti-state tendencies' in seeking to diminish the state's exactions. Such prominent party leaders as S. Kossior, P. Postyshev, I. Vareikis, also accused the political departments of this. Some political officers had the audacity to draw up food-and-fodder balances to prove that the state's exactions were excessive, and were sharply condemned: such balances were, it seems, 'kulak tendencies [sic], directed to the breach of the law on grain deliveries'.⁵³ In November 1934 the political departments of the MTS were abolished. Though there remained a deputy-director (political) of the MTS, he no longer had a department, or any special powers *vis-à-vis* the local party organization.

State farms (*workhozy*) were, at first, greatly favoured by the regime. However, their high cost and inefficiency led to a change

of policy. This is easy to understand if one bears in mind the principal reason for collectivization, which was procurement of produce at minimum cost. In the case of kolkhozes, high cost and inefficiency meant simply that the peasant members were very poorly paid, since they divided among themselves whatever was available, with no guaranteed minimum of any kind. But a state farm worker was a wage-earner, and losses made by such farms had to be met out of the budget. The 'ideological' superiority of state farms none the less led to a sharp rise in their numbers, the area sown increasing from 1.7 million hectares in 1928 to 13.4 million in 1932 and 16.1 million in 1935. It declined thereafter, and state farms did not play a major role in Soviet agriculture until after Stalin's death. (More about state farms in Chapter 9.)

THE FREE MARKET AND PRIVATE PLOTS

How did the peasants survive the confusion and hardship of the 'revolution from above'? They could not have survived without the toleration, in and after 1930, of some private food-growing, and, after the initial excesses of super-collectivization, they were allowed some domestic animals. Great bitterness was caused by the compulsory acquisition by kolkhozes of livestock, especially cows, under conditions in which the collectives had neither the buildings nor the knowledge or experience for looking after big herds (which have to be kept indoors during the winter), and when milk for peasant children could only be provided from their own cows, in the absence of any alternative source of supply (this remains the case, in most of Russia, even in 1969, let alone in 1931). Gradually a sort of *modus vivendi* emerged, and Stalin himself began to make promises to help peasants acquire cows.⁵⁴ But the drastic decline in the livestock population made this a rather distant project, and many could manage to keep only goats, which some bitterly described (in whispers) as 'Stalin's little cows'. However, peasant rights became more clearly defined, and gradually there developed an understanding as to the permissible upper limits of collective peasants' private holdings, which emerged finally in the model statute, described in Chapter 9.

The question arose of the right to sell freely after meeting the state's procurement quota, the latter having the legal status of a

tax levied on the collective, on peasant members and (more heavily) on the surviving individual peasants. There was sporadic interference with the functioning of any free market, while private traders were being driven out and the process of collectivization completed, and many cases of closing all markets were reported. On 6 May 1932 a decree allowed free sales of grain by kolkhozes and collectivized peasants after the state's procurement plan had been fulfilled. Four days later the same rights of selling in 'markets and bazaars' were extended also to livestock products. On 20 May the tax levied on such sales at markets (this trade never wholly ceased) was lowered, and the right to sell at free prices reasserted. In this decree it was stated that the opening of private shops, and private dealers, were to be banned. On 22 August of the same year, 'speculators and dealers' were to be sent to 'a concentration camp for from five to ten years', to cite the words of the decree.⁵⁵ These were the final nails in the coffin of the NEP concept of free trade. Peasant trade was different, in so far as it consisted of sales by the producers of their own surplus produce, and so did not constitute earning a living by trade. This remains the legal position today.

In 1933, which was a very difficult year, the right to market grain was more strictly defined: only 'after fulfilling the procurement plan for the whole republic, krai, province, and making full provision for seed'.⁵⁶ In these years kolkhoz trade was still on the edge of semi-illegality, since arbitrary exactions of all kinds for the needs of the state could happen at any time, with accusations of speculation and 'kulak' behaviour. This, as well as the acute shortages prevailing, caused an extremely steep rise in free-market prices, which will be documented later in this chapter. Agriculture reached its lowest point in 1933, and then began a painful recovery, the story of which can be left aside for the present.

SOME STATISTICS

The harvest and livestock statistics of the period were as follows (the 'biological yield' figures, which distorted Soviet data from 1933 until after Stalin's death, are also given, since they were used to falsify reality and to facilitate excessive procurements):

	1928	1929	1930	1931	1932	1933	1934	1935
Grain harvest, real (million tons)	73.3	71.7	83.5	69.5	69.6	68.4	67.6	75.0
Grain harvest, biological (million tons)	—	—	—	—	—	89.8	89.4	90.1
Cattle (million head)	70.5	67.1	52.5	47.9	40.7	38.4	42.4	49.3
Pigs	26.0	20.4	13.6	14.4	11.6	12.1	17.4	22.6
Sheep and goats	146.7	147.0	108.8	77.7	52.1	50.2	51.9	61.1

(SOURCES: *Sotsialisticheskoe stranstvo*, 1936, pp. 342-3, 354; Moshkov, *Zemnovod'ye problemy v gody sploschnoi kollektivizatsii* (Moscow University, 1966), p. 226.)

Did collectivization in fact assist capital accumulation? Articles by Michael Ellman and James Millar have presented evidence to the contrary. Procurements of products other than grain declined. The state got less than it expected out of a declining agriculture, while having to supply extra inputs to offset losses of draught animals. Undeniably, workers' living standards declined. However, it is hard to agree that the main burden of accumulation fell upon the urban sector. It was mainly the peasants who starved, were deported, toiled on construction sites. But it is certainly arguable that collectivization was not only inhuman but economically counterproductive.

In looking back at the impact of those years on agriculture and the peasants, critical comment is superfluous. The events described cast a deep shadow over the life of the countryside, of the whole country, for many years thereafter. Far too many works on the period say far too little about what occurred. Of course, much more evidence has recently become available, and this chapter is no more than a bare summary of such evidence. It is very much to the credit of Soviet scholarship that so much has been made available, after so prolonged a silence (for which the scholars cannot be blamed) about what by common consent must be a painful period, of which many men in high places must feel ashamed in their hearts.

8. The Soviet Great Leap Forward¹

II. Industry, Labour and Finance

An adequate history of the first five-year plan has yet to be written. Official Soviet accounts overstress the achievements, dwell endlessly on the 'pathos of construction'. The positive features seem also to be overstated in novels of the period. As for anti-Soviet writers, for them the years 1929-33 are composed exclusively of coercion, hunger, shortages and inefficiency, and the achievements are mentioned only as a kind of apologetic afterthought. Here it will be necessary to dwell on many negative features, which are an integral part of the story. Yet so are the achievements which must be seen against a background of appalling difficulties.

OPTIMISM RUNS RIOT

In the previous chapter we noted the adoption of a high 'optimal variant' of the five-year plan. This was speedily followed by super-optimal variants of the most fantastic kinds. The upward revision of the 'optimal' targets began very soon after their adoption. The year 1928-9 proved quite successful in industry, and this caused, in the decree of 1 December 1929, an upward amendment of the plan for the economic year 1929-30. On 5-10 December 1929 a congress of 'shock brigades' adopted a call to fulfil the five-year plan in four years. This became official policy, and in the end the five-year plan was deemed to have run its course on 31 December 1932 instead of 30 September 1933, nine months ahead of schedule, it having been decided (in 1930) to make the economic and the calendar year coincide. Of course, this of itself was an upward revision. Others followed. The sixteenth party congress resolved to review the machinery plans in order 'decisively to free industry and the national economy from dependence on foreign countries'. This last point may be