

The Soviet Revolution under the First Five-Year Plan (1928–1932)

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Abstract:

Theorising a revolution is easier than practising it; however, both achieving and sustaining the communist revolution in Soviet Russia had many challenges—internal and external, material and ideological. One of the major problems that would have shaken the foundational and ideological stones of revolution was the small economy of the country, which was neither able to fulfil the demands of its population nor other national necessities. The economy, further, was shrunken during the civil war and post-war communism phases. With the immature death of Lenin in 1924, the effectiveness of the New Economic Policy was overshadowed by the command economy of Joseph Stalin, the successor of Lenin. The paper has focused on the impact of the command economy in general and the First Five Year Plan in particular.

Key words: *Command economy, Communism, five-year plan, agriculture, and Industry*

Introduction

The command economy is also known as the planned economy. The Russian Civil War and wartime communism had a devastating impact on the country's economy. Industrial output in 1922 was 13 percent of the output in 1914. A recovery followed under Lenin's New Economic Policy, which allowed a degree of market flexibility within the context of socialism, but Stalin stopped the NEP after Lenin's death. Under Stalin's direction, the NEP was replaced by a system called a Command Economy. In a command economy, all of the economic decisions are made by the central government. This is another example of Stalin taking total control of the Soviet Union. Stalin thought that the Soviet Union needed to catch up with the rest of the world's industrial output and transportation technology. To do so, he created a series of "Five-Year Plans" starting in the late 1920s. These plans set high production goals for industries like mining, railroads, electric plants, and manufacturers. The five-year plans were successful in increasing the industrial output of the Soviet Union. The country became a world leader in industrial goods.

During 1927 and 1929, the first Five Year Plan of the State Planning Commission (Gosplan) worked for concentrated economic development; since Stalin was authoritarian and aggressive by nature, when he became the chief of the communist party, he imposed his commandments on the Russian people in 1928. Those acts of Stalin are now considered the "revolution from above" (Simkin, 1997; Das, 1988; Library of Congress, 2016).

After this, Stalin came to be known as the “Father of Five-Year Plans” in the world (Menon, 2018). The Five Year Plan is one of the successful policies of Stalin that played a great role in Soviet Russia’s transformation from Tsarism to Communism. Though Lenin had already initiated many strategies and policies in this direction, the contribution of the Five Year Plan was adorable and significant. It did not only change the Russian economy and society but was also borrowed by many foreign countries, India being one of them. From 1928 to 1991, 13 five-year Plans have been implemented in Russia (Harrison, 2006). The first two projects focused on coal, oil, steel, and electricity (Lowe, 2013; Menon, 2018).

Each five-year plan was set with some fundamental goals and targets to be achieved year-wise. Thus, it can be said that under Stalin, the country was strictly regulated by certain targets. Even all other policies were to be implemented and function in accordance with the targeted goals (Shubnaya, 2018). However, Stalin lived only until the fifth five-year plan. From 1928 to 1933, the first five-year plan lasted. From 1933 to 1938, the second five-year plan was followed by the third five-year plan (1938–1942), followed by the fourth five-year plan (1946–1960). Even he could not finish the term of the plan, as he died in 1953 (Harrison, 2006).

Each five-year plan dealt with all aspects of development: capital goods, consumer goods, agriculture, transportation, communications, health, education, and welfare. However, the emphasis varied from plan to plan, although generally, the emphasis was on power (electricity), capital goods, and agriculture. There were base and optimum targets. Stalin warned that without an end to economic backwardness, “the advanced countries...will crush us” (Hunt, 2010).

The First Five-Year Plan, 1928–1932

In December 1927, Stalin launched a five-year plan at the 15th Party Congress. In 1928, for the first time, the Five Year Plan was introduced by Stalin, which is known as the “first five-year plan”. Stalin announced the start of the first five-year plan for industrialization on October 1, 1928, and it lasted until December 31, 1932. However, between 1927 and 1929, the State Planning Commission (Gosplan) launched the first five-year plan for rapid economic growth. This plan was intended to bring “revolution from above” in 1928 (Sixsmith, 2014; Lowe, 2013; Menon, 2013). This plan, which the party adopted in 1928 with an emphasis on heavy industry, rapidly industrialised the economy. The first account of the plan was modified twice because the planers were under political pressure to create higher and higher goals. Five-year plans are aimed at achieving industrialization, transportation, and the timing of farm production, with the aim of promoting the most extreme visions of Stalin’s acceptance or transition (Fitzpatrick, 2001; Boobbyer, 2000).

From 1928 to 1940, the number of Soviet workers in industry, construction, and transport grew from 4.6 million to 12.6 million, and factory output soared (Hunt, 2010). Stalin’s first five-year plan helped make the USSR a leading industrial nation. When this plan began, the USSR was fifth in industrialization, and with the first five-year plan, it

moved up to second, with only the United States in first (Riasanovsky, 2011). This plan met industrial targets in less time than originally predicted. The production goals were increased by a reported 50% during the initial deliberation of industrial targets (Khlevniuk, 2015). Much of the emphasis was placed on heavy industry. Approximately 86% of all industrial investments during this time went directly to heavy industry. Officially, the first five-year plan for the industry was fulfilled to the extent of 93.7% in just four years and three months (Riasanovsky, 2011). The means of production in heavy industry exceeded the quota, registering 103.4%. The light, or consumer goods, industry reached up to 84.9% of its assigned quota (Riasanovsky, 2011). However, there is some speculation regarding the legitimacy of these numbers, as the nature of Soviet statistics is notoriously misleading or exaggerated. Another issue was that quality was sacrificed in order to achieve quantity, and production results generated wildly varied items. Consequently, rationing was implemented to solve chronic food and supply shortages (Riasanovsky, 2011).

The first five-year plan was not just about economics. This plan was a revolution intended to transform all aspects of society. The way of life for the majority of people changed drastically during this revolutionary time. The plan was also referred to as the "Great Turn" (Riasanovsky, 2011). Individual peasant farming gave way to a more efficient system of collective farming. Peasant property and entire villages were incorporated into the state economy, which had its own market forces (Khlevniuk, 2015).

During the first five-year plan, Stalin called for large-scale outputs in construction and product quotas to produce a variety of manufacturing industries. Between 1929 and 1933, while the western economy was in the Great Depression and the US saw industrial production slow to almost half, the Soviet Union doubled its production (Hays, 2007). This plan is an incredible step, especially in terms of capital investment. Significantly, it established the ongoing Central Industrial Plan in the late 1980s. In the Stalin era, big industry invested a lot compared to light industry. While the plan sometimes strengthens the importance of consumer products, national security considerations usually militate against such changes.

Growth in the primary sector (agriculture) and the secondary sector (industry) was the objective of the first five-year Plan. In order to achieve that, Stalin gave importance to the collectivization of agriculture and industrial growth. Stalin thought industrial growth was urgent in Russia to protect the revolution and compete with other countries on the world stage. In order to establish rapid industries in Russia, Stalin made many plans that would help industrial growth. Since the Great Depression of 1930, all major countries were struggling to overcome their domestic problems, and there was no external support for Russia (Global Security Organisation, 2016; Pike, 2000).

The hidden and clear intention behind implementing the five-year plan was not only to expand the economy but also to build socialism in the country. This is a plan to mobilise the new society and cement it. In fact, the five-year period was partly convinced that it would allow time to complete these major projects; another inspiration was to smooth outcrop fluctuations. The nature of the first five-year project reflects complex political and institutional

changes. The planned economy will use public and private requirements more efficiently, eradicate joblessness, simulate cyclic differences, and make more essential calculations for the purpose of planning as a tool for gathering resources (Harrison, 2006).

For the first time, the industrial sector and the service sector were nationalised in Soviet Russia. Every unit of the industry, including managers, workers, and trade unions, was regulated in a systematic way by the central authorities. As the managers were given the predetermined output quotas, the trade unions were commanded to increase the amount of total production. Furthermore, thousands of new industries were opened up across the country. The Ural Mountains were the region where hundreds of new plants were set up (Global Security Organisation, 2016; Pike, 2000). Stalin sought massive construction projects and production quotas to compensate for heavy industrial products. Because of the Great Depression in Western countries, there was no external support in terms of foreign investment and trade. With the ideological rivalry of communist Soviet Russia, the country successfully doubled its production. It was possible because of Stalin's radical steps, such as the extraction of production from Kulaks and restricting common consumption.

The five-year plan has significantly contributed to modernising the Soviet economy, which was previously underdeveloped. New products have been developed, and the quantity and efficiency of existing production have increased. Some new discoveries are based on native technology development (Shubnaya, 2018). The first five-year plan for the economy rapidly demanded industrialization. Special emphasis has been given to heavy industry. The economy is centred: small industries and services have been nationalised, and managers have attempted to fulfil Gosplan's production quotas. Trade union workers have been converted into the system to increase productivity. However, as Stalin was forced into unexpected productive goals, serious issues were rapidly rising. The largest share of investment has spread to heavy industry; there has been a widespread lack of customer goods and an increase in inflation.

Table No-1: Industrial output in USSR under the first Five Year Plan

Product (in millions of tonnes)	1927-8: First plan	1932-3: 'Optimal'	1932: Amended	1932: Actual
Coal	35.0	75.0	95-105	64.0
Oil	11.7	21.7	40-55	21.4
Iron ore	6.7	20.2	24-32	12.1
Pig Iron	3.2	10.0	15-16	6.2

Source: Lynch, 2015

The table shows how the first five-year plan successfully increased industrial output in Soviet Russia. From 1928 on, the industry gradually began to grow, though the growth rate was small. Industries for every item, such as Coal, Oil, Iron ore, and Pig iron, had grown. In 1928, the amount of Coal production was 35 million metric tonnes, which became 64 million metric tonnes in 1932. The amount of Oil production increased from 11.07 million metric tonnes in 1928 to 21.04 million metric tonnes in 1932. The same happened in the case of Iron ore, which was 6.7 million metric tonnes in 1928 but became 12.1 million metric tonnes in 1932. In 1928, the total production of Pig iron was 3.2 million metric tonnes, which became 6.2 million metric tonnes in 1932. It shows the trend of growth in industrial sectors. That was how Stalin was motivated and encouraged to take further steps in this direction. For this substantial contribution, Stalin got support from party members and also a way to justify severe criticism.

In 1932, he realised the vulnerable condition of the economy and society in the country. Compared to the revenue of 1928, the industry has already lost its agriculture without targeting its production, and Stalin announced and congratulated all citizens of Soviet Russia for the success of the First Five Year Plan. And then set some more targets (Shubnaya, 2018). By 1932, 60 percent of peasants' families had joined either state farms or collective farms. According to official figures, agricultural production fell by 23 percent during the same period. Massive industries surpassed their goals, but other industries such as chemicals, textiles, home goods, and customer goods and services were badly affected. In contrast to planning, each person has reduced consumption (Global Security Organisation, 2016; Pike, 2000).

In the first five-year plan, Lenin, the leader of the Bolshevik Party, made the following proposals: "over a long period of time, seriously, starting from an economic upswing in the nation," Lenin also demanded that a war be prepared to speed up the technical and economic backwardness of Tsarist Russia. The industrialization of the state, agrarian cultivation, and Cultural Revolution played a major role in strengthening the economy and defence of the Soviet Union.

Table No-2: The fall in food consumption (in kilograms per head)

Year	Bread	Potatoes	Meat and lard	Butter
1928	250.4	141.1	24.8	1.35
1932	214.6	125.0	11.2	0.70

Source: (Lynch, 2015)

The above-mentioned table represents the data on the decline of consumption in the early phase of the 5-year plan. As it has already been said, due to the authoritarian policies of Stalin, people, including the worker and peasant classes, lost their share in their own production, which resulted in poverty. It also reduced the annual income of people across the country, as community members took all their production. Even people were not paid wages for

their labour in industries and agricultural fields. All of these factors reduced the total normal consumption of people annually. In 1928, the individual consumption of bread was 250.4 kilogrammes, but that decreased to 214.6 kilogrammes in 1932. In 1928, an individual used to eat 141.1 kilogrammes of potatoes, but later on, in 1932, it became 125.0 kilogrammes. Likewise, the consumption of meat also decreased from 24.8 kilogrammes to 11.2 kilogrammes in 1932. The consumption of butter also decreased, from 1.35 in 1928 to 0.70 in 1932.

Table No-3: The fall in livestock (in millions) in millions)

Year	Horse	Cattle	Pigs	Sheep and goats
1928	33	70	26	146
1932	15	34	9	42

Source: (Lynch, 2015)

The above table shows how the number of livestock decreased. In 1928, the number of horses was 33 million; later, in 1932, that number was 15 million. The total number of Cattle was 70 million in 1928, which became 34 million in 1932. The number of Pigs was 26 million in 1928 and fell to 9 million in 1932. The number of sheep and goats was 146 million in 1928, which became 42 million in 1932.

The data in Table 1 summarises the entire Soviet Union. More food was available in urban areas. Of course, the need for grain is because the main purpose of the groups is to maintain the potential for the industrial sector. This means that, especially in rural areas, the Ukraine and Kazakhstan have suffered particularly severely. The devastation experienced by the Kazakhs can be gauged from the fact that during this period they lost nearly 90 percent of their livestock. This shows that Stalin's command economy not only discouraged the farmers from producing more but also caused the economy of the country to fall. But the early phase of the command economy and the first five-year plan were the crisis phases of the revolution in the Soviet Union. But in the long term, the command economy was a kind of individual sacrifice for the larger national interest.

Stalin's Five-Year Plan was not a total success, despite these achievements. Key elements of the first Five Year Plan, in addition to mechanisation and collectivisation, included the terrible impact on human life. Millions died as a result of the ensuing famine and peasant uprisings. The Kulaks, a socioeconomic stratum of wealthier peasants who had collected more land, livestock, or wealth than their fellow peasants, were accused of obstructing the Plan's success. As many of the deaths were in non-Russian areas such as Ukraine, the Five Year Plan created lasting divisions between Russians and non-Russians. The first Five Year Plan lasted four years since it allegedly fulfilled all of its objectives earlier than projected. This, on the other hand, can be attributed to Russian propaganda activities. The massive human cost of the Five Year Plans, as well as the invasion of Russia itself, remains a black mark on twentieth-century history.

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