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The Role of Ideology in Soviet Economic Reform: A Comparison of the NEP, the Collectivization Campaign, and the Perestroika Program

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A Thesis

Presented to

The Faculty of the Department of Government

The College of William and Mary in Virginia

In Partial Fulfillment

Of the Requirements for the Degree of

Master of Arts

By

Geoffrey M. Goodale

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Approval Sheet

This thesis is submitted in partial fulfillment of
the requirements for the degree of

Master of Arts

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ABSTRACT

The purpose of this thesis is to analyze the role of ideology in Soviet economic reform programs. Three major economic initiatives in which worker cooperatives were designed to play a leading role in transforming the Soviet economy will be examined for similarities and differences: the New Economic Policy (NEP), the collectivization campaign, and the perestroika project.

To establish a common frame of reference for comparison of the three economic programs, the thesis will begin with a survey of literature on the uses of ideology by Communist regimes. The writings of Karl Marx and Vladimir Lenin on cooperatives will also be studied to develop further the conceptual framework for analysis.

After this background information has been provided, the actual cooperative strategies of Nikolai Bukharin during the NEP, Josef Stalin during the collectivization drive, and Mikhail Gorbachev during the perestroika program will be investigated. The motivations of each leader for introducing co–operative reform and the ways in which each one used ideology to introduce and implement his policy will be distinguished.

Analysis of the three programs will yield insights into the process and aims of Soviet reform. First, Soviet leaders do often turn to Marxism–Leninism for guidance when devising strategies for economic renewal. Second, ideology is also used by Soviet leaders to justify economic policies to Party members and to encourage popular support for and participation in reform campaigns. Finally, it is evident that only the programs of Bukharin and Gorbachev represent sincere attempts to execute the will of Marx and Lenin concerning the promotion of voluntary cooperatives and market socialism.

The Role of Ideology in Soviet Economic Reform: A Comparison of the NEP, the Collectivization Campaign, and the Perestroika Program

INTRODUCTION

Since Vladimir Ilyich Lenin led the Bolshevik Party to power in 1917, Western analysts have pondered what considerations guide Soviet leaders in the making of policy. Throughout much of the post–war era, many of these analysts had concurred that Marxism–Leninism was the single most important factor in Soviet policy–making.[1] In the eyes of these kremlinologists, Soviet leaders from Lenin onward had attempted to build a Communist society by following an ideological blueprint which had changed very little since 1917.

However, according to many of these same Soviet observers, Mikhail Gorbachev has largely discarded ideology as a policy–making consideration, and, in fact, has abandoned Marxism–Leninism.[2] Primarily, they cite Gorbachev's extensive efforts to institutionalize market mechanisms and democratic forces as proof that he has tacitly renounced the fundamental principles of Marxism–Leninism. These analysts further assert that Gorbachev will either transform the CPSU into a weakened Western European–style socialist party, or will be toppled by more conservative forces within the Party.[3] A closer look at the nature of ideology and the Soviet experience, however, yields markedly different conclusions from those reached by the Western scholars discussed above. Such a thorough examination of the historical development of Marxism–Leninism in the USSR reveals that Soviet leaders have not been averse to adapting ideology to changing material circumstances, especially during reform campaigns designed to promote economic liberalization and political decentralization. Further, this sort of critique suggests that a strong case can be made for the argument that Josef Stalin perverted many of the Marxist ideals and programs espoused by the original Bolsheviks, including Lenin. Also, this type of analysis indicates that Gorbachev sought to revitalize the CPSU and the USSR by re–introducing Lenin's later writings on Soviet socialism and by devising strategies for contemporary socialist development which were predicated on the theories and recommendations for Soviet growth conceived by the first Soviet leader.

In this essay, such an examination of the evolution of Soviet ideology will be undertaken. While it would be extremely interesting to analyze how various Soviet leaders have interpreted Marxism– Leninism and applied their theoretical understanding to the gamut of activities that the CPSU attempts to control, it is simply not practical to do so in a thesis of this sort. Instead, the focus of this study will be restricted to the investigation of the ideological justifications for policies concerning cooperative enterprises given by Soviet leaders during three different economic campaigns: the New Economic Policy (NEP), the collectivization drive, and the perestroika program.

However, in order to familiarize the reader with concepts essential to understanding Soviet ideology, it will be necessary to provide a broad overview of Marxist–Leninist ideology in chapter one. Next, in chapter two, Lenin's New Economic Policy (NEP) will be thoroughly analyzed from an ideological standpoint. Then, Stalin's forced collectivization program will be examined in terms of its fidelity to Marxist–Leninist ideals and its long–term effect on the Soviet economy in chapter three. Finally, in chapter four, Gorbachev's attempts, prior to the Twenty–Eighth Congress of the Communist Party of the Soviet Union (CPSU), to reinvigorate Soviet cooperatives through an ideological campaign will be studied.

ENDNOTES

[1] See, for example, Carl Friedrich and Zbigniew Brzezinski, *Totalitarian Dictatorship and Autocracy*, 2d ed. (Cambridge: Harvard University Press, 1965), John Armstrong, *Ideology, Politics, and Government in the Soviet Union*, 2d ed. (New York: Praeger Publishers, 1967), and Bertram Wolfe, *An Ideology in Power* (New York: Stein and Day Publishers, 1969).

[2] See, for example Zbigniew Brzezinski, *The Grand Failure* (New York: Macmillan Publishing Company, 1989), and G.R. Urban ed. *Can the Soviet System Survive Reform?* (London: Pinter Publishers, 1989).

[3] Brzezinski, *Grand Failure*, pp. 243–251.

CHAPTER I

AN OVERVIEW OF IDEOLOGY

Definition and Functions of Ideology

Before examining what role Marxism–Leninism plays in Soviet society, it is necessary to define ideology in general terms. In *Politics in the Communist World*, Leslie Holmes, provides such a definition. According to Holmes, any ideology has the following three characteristics. First, ideology is a set of largely unverifiable beliefs. Second, it performs socially necessary functions for the group promoting it. Finally, the group advocating the particular ideology must be organizing, or have organized, itself.[1]

After offering this definition, Holmes identifies seven functions which ideology serves in Communist societies: legitimation, motivation, justification, activation, communication, socialization, and limitation.[2] One of the most important of these functions to ruling Communist parties is certainly legitimation, because in the absence of genuine multi–party elections, these governments have to rely on Marxism–Leninism as the political rationale for their rule. Concerning the policy–making process, ideology is both a source of inspiration for Communist leaders and a means of justifying their decisions. Further, these leaders seek to energize, or activate, the masses to carry out particular policies through the use of ideology.[3]

Communist authorities also utilize Marxism–Leninism to build long–term societal commitment to socialist ideals, a process which Western political scientists refer to as "socialization." Consequently, Marxist–Leninist phraseology becomes essential in the communication between the people, concerning their needs and frustrations, and the

Communist government, regarding its expectations and capabilities. Finally, the Communist parties' attempts to inculcate proletarian values into their people combined with the gradual development of a common socialist language results in the creation of self-imposed limits on what actions can be considered compatible with Marxism–Leninism.[4]

The Enduring Components of Marxism–Leninism

Having defined and identified the functions of ideology in Communist societies in general, it is now possible to examine the essence of Marxism–Leninism in Soviet society in particular. Because Marxism–Leninism has been interpreted in widely different ways by both Western scholars and Soviet leaders, it is necessary to identify the base upon which all, or at least most, of these divergent interpretations have been predicated. This can best be accomplished by looking separately at the contributions made by Marx and Lenin which have gone virtually unchallenged since the Bolsheviks came to power in 1917.

Marx provided Lenin and the original Bolsheviks with a scientific method for studying societal development, a thorough critique of the existing capitalist order, and a general strategy for socialist revolution. According to Marx, societies were universally subject to his theory of historical materialism, which asserted that a given society's stage of historical development was determined by the relationship between the means of production and the relations of production. (In Marxist terminology, the means of production is equivalent to the technology and labor power necessary to make goods, while the relations of production refers to the relationship between the owners of the means of production and the common workers, who actually produce the goods.) Further, Marx posited that a given society's progression along his self–defined ladder of historical development occurred only when the means of production evolved at a greater rate than the relations of production, which resulted in the revolutionary overthrow of one class by another.[5]

Marx devoted much of his life to analyzing the capitalist phase of development, which the US and most of Western Europe were undergoing in the mid–1800s. He concluded that the preoccupation with profit accumulation displayed by the bourgeoisie, the owners of the means of production, combined with the ever–increasing exploitation of the proletariat inevitably would lead to socialist revolution. The proletariat would triumph ultimately, and then would form a collective dictatorship, socialize the means of production, and abolish class distinctions. Eventually, this dictatorship would wither away, and man would live harmoniously with one another, guided by the dictate, "From each according to his ability to each according to his need."[6]

One of Marx's conceptions concerning the socialization of the means of production which deserves special attention because of the focus of this paper is that of cooperative ownership. Defining cooperation as "the form of labor of many persons, methodically working together and alongside one another in the same production process or in related production processes," Marx expressed great optimism in the socialist potential of cooperatives.[7] He first spoke of the benefits of cooperatives in two essays that he wrote in collaboration with Ernest Jones, a British socialist and journalist in 1851.

In their essays, Marx and Jones posited that cooperatives provided their members with a more equitable distribution of assets than did capitalist firms. However, the two authors also asserted that cooperatives were not as socially useful as they could be because they competed with, and absorbed, other co–operatives, and because capitalist institutions conspired to create many obstacles for the cooperatives such as steep taxation, restrictive land transfer laws, and high–cost export procedures. Therefore, Marx and Jones concluded that cooperation needed to be expanded on a nationwide scale and that political power had to be seized by the proletariat before a socialist society could be constructed.[8]

Marx elaborated on this conception in several other works and speeches, with his most impassioned defense of cooperation being delivered in his "Inaugural Address of the Working Men's International Association." In this speech, Marx said:

> The value of these great social experiments (cooperatives) cannot be overrated. By deed, instead of by argument, they have shown that production on a large scale, and in accord with the behests of modern science, may be carried on without the existence of a class of masters employing a class of hands...To save the industrious masses, cooperative labor ought to be developed to national dimensions, and, consequently, to be fostered by national means.[9]

From this quote, it is again apparent that Marx believed that cooperative enterprises should play a crucial role in the development of socialist societies. Marx also urged that cooperatives be given a central role in the creation of socialist society in some of his later works. In "Critique of the Gotha Program," Marx asserted that a socialist society should be a "cooperative society based on the common ownership of the means of production."[10] In *Capital,* he re-iterated this thought when he stated that the means of production should be "in the hands of associated producers (i.e., cooperatives)."[11] Finally, in a letter to Vera Zasulich, a Russian populist, Marx wrote that because peasant cooperatives existed on a nation–wide scale in Russia, it was possible for these cooperatives to "develop directly into an element of socialist production" if they could "gradually shake off (their) primitive quailities. Friedrich Engels, the co–founder of scientific socialism, further elaborated on the development of co–operatives in several of his works. In *The Origin of the Family, Private Property, and the State*, Engels wrote that socialist society would "recognize production on the basis of a free and equal association of producers."[13] Engels provided another important clarification of Marxist thought concerning the voluntary nature of cooperatives in "The Peasant Question in France and Germany." In this article, Engels stated:

> When we are in possession of state power, we shall not even think of expropriating the small peasants...Our task relative to the small peasants consists, in the first place, in effecting a transition of his private enterprise and private possession into cooperating ones, not forcibly but by dint of example and the proffer of social assistance for this purpose.[14]

This quote reflects both the importance which Marx and Engels felt that the encouragement and formation of cooperatives in the early days of a socialist government should be given, and their belief that this goal should not be accomplished through coercion.

Accepting the validity of Marx's theory of historical materialism, critique of capitalism, and prophesy of socialist revolution, Lenin sought to "update" Marxism to reflect changes in material circumstances which had occurred since Marx's death in 1883. Specifically, Lenin developed two theories to explain why socialist revolution had not yet manifested itself and to propose what new economic conditions and revolutionary strategies were necessary for a socialist seizure of power. It is worthwhile to study briefly these theories on imperialism and a Communist vanguard since they were critical to Lenin's ideological justification of the establishment of socialism in Russia and to the claims of subsequent Communist leaders about the ideological legitimacy of creating socialism in nations which, like czarist Russia, had not experienced advanced capitalism.

Lenin provided his explanation for why Marx's prediction of socialist revolution had yet to be fulfilled in *Imperialism, The Highest Stage of Capitalism.* In this book, Lenin argued that large industrial–financial monopolies in the most developed countries had been able to postpone socialist overthrow in their native lands by modestly improving the proletariat's standard of living and by bribing labor leaders not to organize large, coordinated strikes. According to Lenin, the monopolies obtained the funds necessary to pursue this two–pronged strategy from profits they derived from large–scale exporting activities to less developed countries.[15]

However, Lenin asserted that this type of capital export actually contained the seeds for socialist revolution. He theorized that armed conflict between the most advanced capitalist countries would inevitably arise because of the insatiable desire of their national monopolies for new markets in which to invest their capital and the finite number of exploitable territories. Lenin further prophesied that these warring imperialists would cause many other nations to become involved in their hostilities.[16] In Lenin's view, it was during such a time of worldwide crisis that the chances were best for a socialist revolution to be executed successfully in a country which had just entered the capitalist epoch.[17]

Specifically, Lenin figured that the strains of an international war would exacerbate the suffering of the masses of a newly created capitalist state to the point where they would protest in large numbers. According to Lenin's revolutionary plan, it would then be the responsibility of a well–organized Communist Party to form an alliance of the different protesting groups, which would consist primarily of the proletariat and the peasantry. Lenin predicted that this coalition would seize power from the bourgeoisie government whose attention and resources had been largely expended on the war. Finally, Lenin posited that once this overthrow had been achieved, the Communist vanguard would begin to build socialism within the country.[18]

To Lenin, the development of a national network of cooperatives was an essential element of this building process. Following the Bolshevik seizure of power in 1917, Lenin immediately expressed his belief in the socialist potential for cooperatives. In "The Immediate Tasks of the Soviet Government," Lenin wrote:

> The socialist state can arise only as a network of producers' and consumers' cooperatives, which conscientiously keep account of their production and consumption, economize on labor, and steadily raise the productivity of labor.[19]

Thus, with this quote, Lenin indicated that he did not intend to centralize the economy and impose quotas for all enterprises as the first economic policy of the Soviet government.

Even after the exigencies of civil war had forced Lenin to create a command economy, he still advocated that cooperatives be given the Party's blessings. At the Eighth Congress of the Russian Communist Party, which was held in March of 1919, Lenin asserted that cooperatives needed to be highly encouraged by the Party, and allowed to conduct their own affairs.[20] In that same year Lenin proclaimed:

> No Communist, no intelligent socialist, has even entertained the idea of violence against the middle peasants. All socialists have always spoken of agreement with them and of their gradual and voluntary transition to socialism.[21]

Considering that Lenin made these comments at a time when other Bolsheviks such as Leon Trotsky were pressing Lenin to impose stricter grain requisitioning policies,[22] it can be argued that Lenin believed in the necessity of establishing voluntary cooperative societies.

Western Thought on Ideological Traditions Within Marxism–Leninism

Their thoughts on cooperatives notwithstanding, though, Marx and Lenin did not provide much guidance on how a socialist society should be constructed past the immediate consolidation of power by the vanguard party. This void in Marxism–Leninism has been the source of much controversy for both Western Sovietologists and Soviet policy–makers. One of the main questions that both of these groups of thinkers have had to wrestle with since the death of Lenin is, "How does, or should, a ruling Communist party use ideology to guide policy?"

For years, many Western analysts subscribed to the view put forward by Carl Friedrich and Zbigniew Brzezinski, two of the leading advocates of the totalitarian model of the Soviet system, which holds that Soviet rulers are compelled by their Communist convictions to base policy on Marxism–Leninism. In the eyes of Friedrich and Brzezinski, Marxism–Leninism is an unchanging ideology, which is "focused and projected toward a perfect final state of mankind," and is "based upon a radical rejection of the existing society and conquest of the world for a new one."[23]

Applied to the USSR, the "perfect final state of mankind" would be communism, the "radically rejected existing society" would be czarist Russia, and the "world to be conquered" for the "new" socialist order would be the capitalist one. Friedrich and Brzezinski further assert that the employment of violence for the realization of ideological goals, combined with the rejection of the status quo upon which the ideology is predicated, ultimately necessitates that Soviet leaders "force reality to fit theory."[24] From these hypotheses, it is clear that Friedrich and Brzezinski believe that Soviet leaders feel obliged to base policy on the revolutionary ideology of Marx and Lenin.

However, these totalitarian theorists fail to take a major factor into consideration in reaching their conclusions about Soviet ideology: the existence of a gradualist tradition within Marxism–Leninism. One author who makes a strong case for the legitimacy of this gradualist tradition is Stephen Cohen, an American Sovietologist. In *Bukharin and the Bolshevik Revolution*, Cohen argues that following 1921, Bolshevism was "bifurcated by two conflicting ideological traditions": revolutionary–heroic and evolutionary–gradualist.[25]

While recognizing that Marxism–Leninsm possessed a daring and violent past stemming from the Bolshevik coup of 1917, Cohen also asserts that Lenin bequeathed a gradualist legacy to Soviet Communists as a result of his economic writings of 1918 and his NEP literature of the early 1920s. Further, Cohen posits that Nikolai Bukharin, one of the most influential Bolsheviks following Lenin's death, best exemplified Lenin's true wishes.[26] In fact, Cohen concludes his book by saying that the NEP advocated by Lenin and Bukharin actually represented "the true preconfiguration of the Communist future."[27]

One Western political scientist who attempts to account theoretically for the use of both ideological traditions within Marxism–Leninism by Communist leaderships is Franz Schurmann. In *Ideology and Organization in Communist China*, Schurmann develops the concepts of pure and practical ideology. According to Schurmann, "pure ideology is a set of ideas designed to give the individual a unified and conscious world view," while "practical ideology is a set of ideas designed to give the individual rational instruments for action."[28] Schurmann further asserts that pure and practical ideology are inextricably linked. He writes, "Without pure ideology, the ideas of practical ideology have no legitimation. But without practical ideology, an organization cannot transform its *weltanschaung* into consistent action."[29]

Applying Schurmann's theory to the Soviet Union, the writings of Marx and Lenin that were devoted to analyzing the inevitable demise of capitalism and describing the final goal of building communism serve as pure ideology. These writings include both revolutionary and gradualist elements. In contrast, practical ideology constitutes those policy justifications used by Soviet leaders which represent logical extensions of these original theories of Marx and Lenin. Yet, not all policy justifications given by Soviet leaders can, or should, be considered practical ideology. Those ones which are not rooted in the writings of Marx and Lenin actually represent ideological perversion or abandonment.

In fact, it is one of the main contentions of this thesis that Stalin's collectivization campaign was one of the most blatant betrayals of the ideals of Marx and Lenin in Soviet history. As will be recalled from the initial review of the writings of Marx and Lenin on cooperation, the two founders of Communist ideology were opposed to complete state control of cooperatives and the coercion of peasants into worker collectives. Throughout the rest of this essay, the role of pure and practical ideology in the Soviet policy–making process will be assessed through the examination of the NEP, the collectivization drive of the late 1920s, and the current perestroika program. In the final analysis, it will be shown that the attempts by Bukharin and Gorbachev to develop a strong cooperative sector of the Soviet economy represented sincere efforts to interpret and implement Marxism–Leninism, and that Stalin's militarily enforced reorganization of the peasantry did not.

ENDNOTES

[1] Leslie Holmes, *Politics in the Communist World* (Oxford: Clarendon Press, 1986), pp. 97–98.

[2] Karen Dawisha, "The Roles of Ideology in the Decision–Making of the Soviet Union," *International Relations,* vol. iv, no. 2, pp. 156–175.

[3] Holmes, *Communist World*, pp. 97–111.

[4] Ibid., pp. 111–113.

[5] Jozef Wilcynski, *An Encyclopedic Dictionary of Marxism, Socialism, and Communism* (New York: De Gruyter, 1981), pp.230, 460, 461.

[6] Ibid., pp. 59, 60, 91, 92, 146, 147,467, 468.

[7] Friedrich Engels, "Review of Volume One of *Capital*," in *The Collected Works of Marx and Engels,* vol. 20 (New York: International Publishers, 1978), p. 294.

[8] Karl Marx, "A Letter to the Advocates of the Cooperative Principle," in *The Collected Works of Marx and Engels*, vol. 11 (New York: International Publishers, 1978), pp. 580–581.

[9] Karl Marx, "Inaugural Address of the Working Men's International Association," in *The Collected Works of Marx and Engels,* vol. 20 (New York: International Publishers, 1978), p. 11.

[10] Karl Marx, "Critique of the Gotha Programme," in *Selected Works of Marx and Engels in One Volume* (New York: International Publishers, 1968), p. 323.

[11] Karl Marx, *Capital,* vol. 3 (Chicago: Charles H. Kerr and Company, 1909), p. 520.

[12] Karl Marx "Letter from Marx to Zasulich, March 8, 1881," in *Pre–Capitalist Economic Formations*, trans. Jack Cohen (New York: International Publishers, 1968), pp. 142–143.

[13] Friedrich Engels, "The Origin of the Family, Private Property, and the State," in *Selected Works of Marx and Engels in One Volume* (New York: International Publishers, 1968), p. 589.

[14] Friedrich Engels, "The Peasant Question in France and Germany," in *Selected Works of Marx and Engels in One Volume* (New York: International Publishers, 1968), pp. 644–645.

[15] V.I. Lenin, *Imperialism, The Highest Stage of Capitalism* (New York: International Publishers, 1939), pp. 123–128.

[16] Ibid.

[17] V.I. Lenin, "The Collapse of the Second International," in *The Collected Works of V.I.Lenin*, vol. 21 (Moscow: Progress Publishers, 1966), pp. 213–214.

[18] Ibid.

[19] V.I. Lenin, "The Immediate Tasks of the Soviet Government," in *V.I. Lenin: Selected Works*, vol. 2 (New York: International Publishers, 1967), p. 660.

[20] V.I. Lenin, "Speech to the Eighth Congress of the Russian Communist Party," in *V.I. Lenin: Selected Works*, vol. 3 (New York: International Publishers, 1967), p. 191.

[21] V.I. Lenin, "Reply to a Peasant's Question," in *The Collected Works of V.I. Lenin*, vol. 21 (Moscow: Progress Publishers, 1966), p. 501.

[22] Alec Nove provides an excellent discussion of the debate between Lenin and Trotsky over the grain requisitioning policy during the Civil War in *An Economic History of the USSR*, 2d ed. (Suffolk, UK: Penguin Books, 1989), pp. 69–72.

[23] Carl Friedrich and Zbigniew Brzezinski, *Totalitarian Dictatorship and Autocracy*, 2d ed. (Cambridge, MA: Harvard University Press), 1965, p. 22.

[24] Ibid., pp. 102–105.

[25] Stephen Cohen, *Bukharin and the Bolshevik Revolution* (New York: Alfred A. Knopf, Inc., 1973), p. 129.

[26] Ibid., pp. 129–149.

[27] Ibid., p. 386.

[28] Franz Schurmann, *Ideology and Organization in Communist China,* 2d ed. (Los Angeles: University of California Press, 1968), p. 22.

[29] Ibid., p. 23.

CHAPTER II

THE ROLE OF IDEOLOGY IN THE DEVELOPMENT OF THE NEP

The Events Leading to Lenin's Advocacy of the NEP

Having discussed the concept of ideology and the Soviet use of Marxism–Leninism in general and theoretical terms, it is now appropriate to look closely at a specific example of how ideology was used to introduce and justify an economic reform program: the NEP. By identifying the economic and political factors which motivated Lenin to abandon the policy of War Communism and begin building a market socialist economy, it will be possible to develop some hypotheses about what sorts of conditions lead to the supersession of gradualist ideology over revolutionary ideology. Also, analysis of Bukharin's attempt to continue the economic liberalization program through reference to, and elaboration of, Lenin's works will show how important ideological fidelity to Marxism–Leninism has been in procuring political support since the first Soviet leader.

One factor that convinced Lenin of the need for the New Economic Policy (NEP) in the aftermath of the Russian Civil War was the devastated condition of the Soviet Union. Between 1914 and 1921, over twenty million people died in the USSR, including twenty–nine percent of the able–bodied male population. Further, as a result of drought and poor harvests in 1920 and 1921, millions more died of starvation.[1] In comparison to the figures of 1913, industrial production and coal production in 1920 decreased by eighty–six percent and sixty–seven percent respectively.[2] These drastic reductions in productivity not only reflected the dire state of the Soviet economy, but they also largely contributed to the near–complete breakdown of the railway system, the primary means of state transportation.

This transportation breakdown contributed to the disaffection of various segments of Soviet society from the Bolshevik government, which was another primary reason Lenin decided to introduce the NEP. Large numbers of discharged soldiers were left stranded far from home and poorly provided for by the government. Some of these former defenders of the revolution, who were often armed, resorted to raiding state supply centers and stealing from traders to subsist. Further, many of these ex–soldiers had been drafted from the ranks of industrial workers, the group which the Bolsheviks had hoped would contribute the most to the construction of the new socialist state. Now, not only were these one–time industrial workers separated from their means of production, but they were becoming increasingly skeptical of the intentions and governmental abilities of the Bolsheviks.[3]

Popular discontent with the Bolsheviks was hardly limited to displaced soldiers, however. The wretched urban living conditions had driven many of the industrial workers who had not been conscripted to the countryside, and, by the end of 1920, their number had dwindled to 1.5 million—less than one–half of those who had toiled in the cities in 1917.[4] The grain requisitioning policy of the Bolsheviks drew the ever–increasing ire of the peasants. Initially, many peasants reacted to this policy by cutting back their crop production, but, as the Civil War drew to a close, the peasants in some areas formed military units and fought against both the Reds and the Whites. In the Tambov region of the Soviet union, one of these peasant militias, which were referred to as Greens, actually fought for and gained a fair amount of territory before the Red Army was able to suppress the revolt.[5]

The group whose defection from the Bolshevik cause most disturbed Lenin and influenced him finally to advocate the NEP, though, was that of the Kronstadt sailors. These sailors had supported the Bolsheviks wholeheartedly since the October Revolution, but, in the closing days of the Civil War, the Kronstadters became disillusioned with "the arbitrary rule of the commissars."[6] Inspired by a series of strikes which took place in Petrograd during February 1921, the sailors on board the Petropavlovsk drafted a resolution calling for, among other things, freedom of speech, new, democratic soviet elections in Kronstadt, and expanded ownership rights for peasants.[7]

Within days, popular support for the *Petro–pavlovsk* resolution mushroomed tremendously. First, 10,000 people participated in a mass demonstration, and then an ad hoc conference of about 300 sailors, soldiers, and workers was formed. This conference proceeded to elect a five–man presidium, which soon after ordered the arrest of several prominent Bolsheviks in the area. Following these arrests, Lenin sent Leon Trotsky, the Commissar for War, and a detachment of Red Army special forces to suppress this rebellion. After several days of heavy fighting, Trotsky and his detachment accomplished their objective on March 18, 1921.[8]

Although Lenin said that Kronstadt "lit up reality better than anything else,"[9] it has been documented that he proposed the NEP to the Central Committee of the Russian Communist Party well before the Kronstadt affair.[10] When he unveiled the NEP to the entire Party at the Tenth Congress, which was held shortly after Trotsky's victory over the Kronstadters, Lenin revealed that the issue of state grain procurement had been troubling him for some time. Lenin's answer to this problem was to introduce a tax in kind which would provide the peasantry with financial incentive to trade with the state. Lenin also hoped that the tax in kind would serve as the basis for a strong proletariat–peasantry alliance, or *smychka*.[11]

To Lenin, such a *smychka* was crucial to the preservation of Bolshevik power and the development of socialism. In the short term, the *smychka* was necessary to catalyze the Soviet economy. The state needed to procure food to feed the industrial workers in order to keep them in, or lure them back to, the city, and to motivate them to produce more. To obtain this food, the state had to convince the peasants that it was in their best interest to trade their grain with the government. In the long run, Lenin hoped that the *smychka* could be used to win peasant commitment to socialism. According to Lenin, the Bolshevik government could gain the political support of the peasants by proving to them that the state was a reliable trading partner. Further, Lenin argued that the constant contact between the peasants and the state traders would provide the Bolshevik government with the opportunity to inculcate socialist values into the peasants.[12]

Although the Communist party approved Lenin's resolution at the Tenth Congress, it was clear that some opposition to the NEP existed within the Bolshevik leadership.[13] Initially, Lenin attempted to eliminate this opposition by ramming through a ban on Party factionalism at the Tenth Party Congress. However, as time progressed, Lenin realized that the best way to win support for the NEP, both within the Party and among the non–Bolshevik intelligentsia, was to provide an ideological justification of it. (While official explanations of how the NEP would help in the construction of socialism inspired some peasants and industrial workers, many others believed that true justification of the NEP would come through improved living conditions and economic revitalization.) Thus, in May 1921, Lenin wrote and published "The Tax in Kind."

In this article, Lenin referred to the NEP as a return to the policy of state capitalism, which the Bolsheviks had intended to implement in 1918, but which they were forced to abandon because of the exigencies of civil war. In fact, Lenin attempted to verify this assertion by providing a lengthy excerpt from his 1918 article "The Chief

Task of Our Day: 'Left–Wing' Childishness and the Petty Bourgeois Mentality." Not coincidentally, Lenin chose the first paragraph from this excerpt to read:

> State capitalism would be a step forward as compared with the present state of affairs in our Soviet Republic. If in approximately six months' time state capitalism is established in our Republic, this would be a great success and a secure guarantee that within a year socialism will have gained a permanently firm hold and will have become invincible in this country.[14]

Throughout the rest of this excerpt, Lenin distinguished between the Bolsheviks and the petty bourgoisie, and between state capitalism and private capitalism. According to Lenin, the tendency of the petty bourgeoisie to engage in profiteering and capital accumulation was inimical to the goal of establishing a state capitalist economy. Specifically, he felt that the petty bourgeoisie deliberately would invest its financial assets in socially non–productive ventures to undermine the Bolshevik economic program; then, the petty bourgeoisie would just wait for the Bolsheviks to relinquish power to a more pro–capitalist group. To combat this strategy, Lenin proposed that the state take , and maintain, control of the "commanding heights" of the economy, which included such things as banking, transportation, and heavy industry. By controlling the "commanding heights" of the economy, Lenin thought that the Bolshevik government could provide enough public goods and services to maintain the support of the people. Also, he theorized that Bolshevik possession of the "commanding heights" would prevent the petty bourgoisie from accumulating too much capital and employing it against the fledgling socialist government.[15]

After establishing that building a state capitalist economy was actually the desired program of the Bolsheviks before the outbreak of the Civil War, Lenin discussed four means through which such a policy could be promoted. These means were pro–Bolshevik entrepreneurship, state property leasing, workers' co–operatives, and joint ventures between Western and Soviet economic entities. While Lenin asserted that all of these non–state–controlled economic forms needed to be developed to help construct state capitalism, he was particularly adamant about creating a strong cooperative sector. According to Lenin, cooperarives were an especially desirable component of state capitalism because of their capacity to "embrace wider masses of the population" and their ability to "pull up the deeper and more tenacious roots of the old pre–socialist and even pre–capitalist relations, which most stubbornly resist all 'innovations.'"[16]

Several events over the course of the next year and one–half further convinced Lenin of the promise of cooperatives. First, the NEP greatly helped improve the entire Soviet economy, and Soviet society was able to begin rebuilding itself.[17] Second, foreign countries and businesses proved to be very reluctant to establish economic ties with the USSR. Whether they had political or economic reservations about dealing with a socialist state, these potential foreign investors denied Lenin the opportunity to build state capitalism with international financial support.[18] Finally, the cooperatives which Lenin had placed great hopes in back in early 1921 began achieving considerable success. Large numbers of peasants joined cooperatives, and, soon, these cooperatives began seizing increasingly large shares of retail and wholesale trade.[19] In fact, Stephen Cohen asserted that "by 1922, the cooperatives seemed to be the foremost element of state capitalism in Russia."[20]

These economic events caused Lenin to rethink long–term socialist strategy. He now believed that cooperatives could serve as a link between state capitalism and socialism. Lenin also came to recognize the importance of ideologically justifying economic programs as a result of the considerable support for the NEP that he was able to gain through the publication of "The Tax In Kind." Consequently, he decided that it was imperative to explain the necessity of developing cooperatives in ideological terms.

Fortunately for Lenin, another Soviet Marxist, A. V. Chayanov, already had devised such an argument, and Lenin largely based his case for cooperatives on Chayanov's works.[21]

Between 1913 and 1915, Chayanov conducted a study of cooperatives, and he published the results in the *Budgets of Peasants in the Starobel'sk District.* One of the radical conclusions reached by Chayanov was that cooperative farmers based economic decision–making on different criteria from that used by capitalist farmers, because the former were simultaneously owners of and workers on their property. Specifically, Chayanov asserted that while capitalist farmers were primarily concerned with maximizing profits, cooperative farmers were motivated chiefly by the need to provide for their families. Because this latter goal was based largely on the cooperative succeeding, promotion of a social good, albeit limited to the cooperative, was a necessary byproduct. Applied on a large scale to a chiefly peasant, agrarian country, as Russia was at the time, cooperatives could lead to socialism.[22]

With Chayanov's argument in mind, Lenin wrote "On Cooperation," his most impassioned plea for a gradualist approach to socialism. Lenin began this article by explaining how he and the Bolshevik leadership had underrated grossly the potential of cooperatives in the transition to socialism. Next, he reiterated Chayanov's primary reason for the likelihood of cooperatives leading to the development of socialism—their ability to channel private interest towards a collective good. Then, however, Lenin introduced a new reason for promoting cooperatives, and this was that the conditions existed under which Marx had asserted that cooperatives could lead to socialism. Specifically, the proletariat now controlled the political system and could expand cooperation on a nationwide scale.[23] Thus, having provided Chayanov's empirical evidence and Marx's theoretical hypothesis in defense of his new position, Lenin boldly proclaimed that "the system of civilized cooperators is the system of socialism."[24]

Almost as important to the continued existence of cooperatives during the formative years of the Soviet republic as was Lenin's ideological justification, was Lenin's realistic prognosis of what cooperatives would need to succeed and how long it would take for them to become genuinely socialist. In "On Cooperation," Lenin urged the Bolsheviks to give cooperatives "more than ordinary assistance." Specifically, he recommended that cooperatives be given preferential loans, material incentives, and official state endorsement.[25] Even given this type of support, Lenin recognized that it would take "a whole historical epoch to get the entire population into the work of cooperatives through NEP," because the whole nation needed to be culturally educated.[26]

Taken by itself, "On Cooperation" served as an enthusiastic ideological defense of and recommendation for cooperatives. But viewed in conjunction with a series of articles that Lenin wrote in the last year of his life, it actually represented one of the major components of the first Soviet leader's political testament. In these articles, which included "Pages from a Diary," "Our Revolution," "How We Should Re–organize Rabkrin," "Better Fewer, But Better, " and "Letters to the Congress," Lenin proposed such specific policy actions as the introduction of universal public education, the reduction of state bureaucracy, and the reorganization of the Party elite to promote the development of the NEP.[27]

But, more importantly, throughout all of these articles, Lenin stressed the need to strengthen the *smychka* between the proletariat and the peasantry, and advocated that this be done by appealing to the interests of the latter group, and not by coercing them to become communists immediately. Lenin was particularly adamant about this point in "Pages from a Diary." In this article, he wrote:

> We must start by establishing contacts between town and country without the preconceived aim of implanting communism in the rural districts. It is an aim which

> cannot be achieved at the present time. It is inopportune, and to set an aim like that at the present time would be harmful, instead of useful, to the cause.[28]

This quote , which was representative of the conciliatory tone of Lenin's last works, indicates rather clearly the first Soviet leader's desire for the Bolsheviks to pursue a gradualist approach to socialism.

Attempts to Execute Lenin's Testament

Following Lenin's death, numerous Soviet theorists attempted to bolster ideologically the late leader's case for cooperatives and a gradualist approach to socialism. One such theorist was A.V. Chayanov, the pioneering Marxist economist whose early work on cooperatives significantly influenced Lenin. Chayanov further developed his argument by stressing the advantages that cooperatives could offer to a socialist economy in its infancy. Specifically, he argued that cooperatives could develop immunity to, and actually help to eradicate, capitalist threats such as worker exploitation and hostile buyouts. The members of co–operatives naturally contributed to these goals by collectively deciding how to use accrued profits and by pooling their financial resources to compete effectively with capitalist landowners. Chayanov also explained how a socialist government, with its control of heavy industry, could help cooperatives modernize and develop into socialism.[29]

Another theorist who championed the cooperative cause was L.N. Kritsman, one of the leading theorists of the Agrarian–Marxist school of development in the 1920's. Kritsman based his argument on the support Marx and Lenin had expressed for Russian cooperatives. Kritsman discerned three facts which led him to believe that cooperatives could be used to help build socialism in the Soviet Union. First, cooperatives were an indigenous peasant phenomenon in Russia. Second, under Marxist guidance, cooperatives could easily be transformed into socialist institutions. Finally, co–operatives represented the simplest, most painless ways for peasants to grow into socialism.[30] For these reasons, Kritsman advocated that the Bolsheviks continue to promote cooperatives and work to fulfill the prophesies of Marx and Lenin.

Although the contributions of Chayanov and Kritsman were significant to the promotion of cooperatives, it was the arguments put forward by Nikolai Bukharin, a Politburo member and the editor of *Pravda*, which most influenced Soviet policy in the 1920s. Bukharin sought to prove his ideological fidelity to Lenin and create a theory for the socialist development of cooperatives which would win the lasting support of the Bolsheviks and the Soviet workers. He began this quest by giving a rousing memorial speech on Lenin's contribution to Marxism to the Communist Academy in February of 1924. In his speech, Bukharin praised Lenin for stressing the importance of the proletariat–peasantry *smychka*, arguing that "Lenin (had) bequeathed an original theory of 'agrarian–cooperative' socialism."[31] It was this legacy which led Bukharin to conclude that NEP Russia must "grow into socialism through an evolutionary period of development."[32]

Having lent ideological credibility to his case for a gradualist approach to socialism, Bukharin attempted to devise a Marxist theoretical justification of cooperatives. In "Concerning the New Economic Policy and Our Tasks," Bukharin explained how cooperatives differed in capitalist and socialist societies, a problem which had been posed to NEP advocates by Marxist critics inside and outside the USSR. Bukharin asserted that in capitalist societies, cooperatives developed ties with capitalist institutions such as banks and industrial firms, and inevitably acquired capitalist mind sets. Contrarily, in socialist societies, cooperatives built ties with socialist institutions, and, therefore, developed socialist perspectives. Thus, Bukharin argued that while all cooperatives possessed inherent collectivist tendencies, only in socialist societies would these tendencies be developed to their fullest; in capitalist societies, these tendencies would be stifled or perverted to the extent that cooperatives would become merely the tools of exploitative capitalists.[33]

Recognizing that it was necessary to appeal to the to the peasants' economic interests to get them to join and work diligently for the cooperatives, Bukharin advocated that the socialist government establish an exchange system between socialist institutions and cooperatives which provided the latter with maximum benefits. According to Bukharin, the state bank needed to provide the cooperatives with preferential credit so that they could purchase machinery from the state industrial sector.[34] This policy would not only benefit the entire economy by providing state industry with a large outlet for its goods and allowing the cooperatives to become more efficient through better technology, but it also would foster strong ties between state financial institutions and the cooperatives. In fact, Bukharin theorized that these ties would result in peasant growth "into the economic organization of the proletarian dictatorship" and gradual incorporation "into the system of socialist relations."[35]

Bukharin's argument initially won Bolshevik support for cooperatives, and for himself as co–leader with Josef Stalin. This was evidenced by the fact that even Bolsheviks such as Leon Trotsky and Yevgeny Preobrazhensky who argued that the Soviet Union needed to industrialize more rapidly than Bukharin advocated, agreed with the Soviet co–leader that a gradualist approach to socialism needed to be pursued.[36] Also, in 1925, Stalin himself said, "We (the Bolsheviks) stand, and we shall stand, for Bukharin."[37] Further, Bukharin's writings provided the reassurance about the state's commitment to the NEP necessary to convince many peasants to join or form cooperatives. By 1927, the number of operating cooperatives had increased by over 100 percent since 1921, and nearly one–third of all peasant households belonged to a cooperative.[38] Also, in comparison to the figures for the 1922–1923 period, the amount of retail trade garnered by cooperatives in the 1926–1927 period was 19 times greater, and it marked the first time in Soviet history that cooperatives garnered a larger share of retail trade than did the state or private traders.[39]

The NEP in Perspective

At this time, it is useful to identify several facts about the Soviet use of ideology which the preceding examination of the NEP has revealed. First, victory in the Civil War, existence of a worsening economic crisis, and increasing popular malaise made advocacy of a gradualist ideology a desirable and necessary choice for the Bolshevik Party. Second, the Bolshevik leadership developed this gradualist component of Marxism–Leninism as a way of facilitating the construction of socialism in Russia, which was comprised largely of peasants and not industrial workers. Third, ideology served as a source of motivation for both Lenin and Bukharin, and it was used to justify policies and activate the masses. Finally, two specific techniques were used to attribute legitimacy to particular aspects of ideological development. One method was to make reference to Marx, as Lenin did, or to Lenin, as subsequent theorists did. The other way that Soviet leaders and scholars attempted to prove ideological fidelity to Marxism–Leninism was to show how a particular policy contributed to the eventual creation of a socialist society.

ENDNOTES

[1] Yuri Ambartsumov, *How Socialism Began* (Moscow: Progress Publishers, 1977), pp. 184–186.

[2] Alec Nove, *An Economic History of the USSR*, 2d ed. (Suffolk, UK: Penguin Books, 1989), p. 84.

[3] Sheila Fitzpatrick provides a good discussion on the problems that the Bolsheviks faced at the end of the Civil War in *The Russian Revolution* Oxford, (UK: Oxford University Press, 1982), pp. 85–86.

[4] Ibid., p. 86.

[5] Ibid., p. 87.

[6] Ibid.

[7] Oskar Anweiler, *The Soviets: The Russian Workers, Peasants, and Soldier Councils, 1905–21*, trans. Ruth Hein (New York: Pantheon Books, 1958), p. 248.

[8] Ibid., pp. 248–250.

[9] Quoted in David MacKenzie and Michael Curran, *A History of Russia and the Soviet Union* (Chicago: The Dorsey Press, 1985), p. 619.

[10] Alec Nove recounts the actual chronology of events concerning the introduction of the NEP in *An Economic History of the USSR*, p. 68.

[11] V.I. Lenin, "Introducing the New Economic Policy," in *The Lenin Anthology*, ed. Robert C. Tucker (New York: W.W. Norton and Co., 1975), pp. 503–510.

[12] Stephen Cohen succinctly explains the importance of the smychka to Lenin in *Bukharin and the Bolshevik Revolution* (New York: Alfred A. Knopf, Inc., 1973), pp. 132–138.

[13] Cohen gives a detailed account of the NEP's acceptance, or lack thereof, by various Bolshevik officials in *Bukharin and the Bolshevik Revolution*, pp. 129–132.

[14] V.I. Lenin, "The Tax in Kind, in *V.I. Lenin: Selected Works*, vol. 3., pp. 583- 584.

[15] Ibid., pp. 585–587.

[16] Ibid., p. 600.

[17] According to official Soviet figures, industrial production increased by almost 100 percent between 1920 and 1922, and 12.7 million more tons of grain were harvested in 1922

than were in 1921. For these and other figures, see Nove, *An Economic History of the USSR*, p. 84.

[18] Cohen discusses the impact that the lack of foreign concessions had on Lenin's thinking in *Bukharin and the Bolshevik Revolution*, pp. 135–136.

[19] After having been dormant for much of the Civil War, cooperatives became quite successful and alluring following Lenin's introduction of the NEP. By 1923, cooperatives produced nearly four times as many small–scale industrial goods as the state and enlisted the support of over 125,000 people in this endeavor. See Nove, *An Economic History of the USSR*, p. 94.

[20] Cohen, *Bukharin and the Bolshevik Revolution*, p. 136.

[21] While Lenin does not actually refer to Chayanov in his last essays on cooperation, numerous Soviet economists and historians have convincingly shown that the first Soviet leader was strongly influenced by Chayanov. See Abel Aganbegyan, *Inside Perestroika*, trans. Helen Szamuely (New York: Harper and Row), 1989, p. 123.

[22] Susan Gross Soloman provides an in–depth explanation of Chayanov's thought on cooperatives in *The Soviet Agrarian Debate*, pp. 42–52.

[23] V.I. Lenin, "On Cooperation," in *V.I. Lenin: Selected Works*, vol. 3 (New York: International Publisher, 1967) pp. 758–760.

[24] Ibid., p. 761.

[25] Ibid., pp. 759–760.

[26] Ibid., p. 760.

[27] Lenin's "Pages from a Diary" can be found in *V.I. Lenin: Selected Works*, vol. 3 (New York: International Publishers, 1967), pp. 753–757, and his "Our Revolution," "How We Should Reorganize Rabkrin," "Better Fewer, But Better,' and "Letters to the Congress" can be found in *The Lenin Anthology*, ed. Robert C. Tucker (New York: W.W. Norton and Co., 1975), pp. 703–706, 725–746.

[28] Ibid., p. 756.

[29] Soloman discusses Chayanov's development of his pro–cooperative argument in *The Soviet Agrarian Debate*, pp. 56–70.

[30] Soloman analyzes Kritsman's arguments for cooperatives in *The Soviet Agrarian Debate*, pp. 75–88.

[31] Quoted in Cohen, *Bukharin and the Bolshevik Revolution*, p. 159.

[32] Ibid.

[33] Nikolai Bukharin, "Concerning the New Economic Policy and Our Tasks," in *Selected Writings on the State and the Transition to Socialism*, ed. Richard B. Day (New York: M.E. Sharpe, Inc., 1982), pp. 183–208.

[34] Ibid., p. 205.

[35] Ibid.

[36] Cohen compares and contrasts the positions of Trotsky, Preobrazhensky, and Bukharin concerning industrialization in *Bukharin and the Bolshevik Revolution*, pp. 161–179.

[37] Ibid., p. 213.

[38] Ambartsumov, *How Socialism Began*, p. 214.

[39] Nove, *An Economic History of the USSR*, p. 95.

CHAPTER III

Collectivization and Its Consequences

A Change in Soviet Priorities

As demonstrated by the fact that in 1926 grain harvests and industrial production had returned approximately to their pre–war levels, the NEP had improved Soviet economic performance.[1] However, several events in 1927 caused Bukharin and Stalin to modify the methods and the goals of the NEP. First, the thwarting of a Communist uprising in China and a subsequent reactionary backlash in Western Europe worried the Soviet leadership that hostile capitalist powers might try to crush the world's first socialist government. This threat of war convinced Bukharin and Stalin that a more rapid industrialization drive was needed to provide the state with sufficient means to defend the USSR.

To inspire the Soviet people to support and contribute to the industrialization drive, the leadership spoke in dark and urgent terms about the need to "catch up and surpass" the capitalist countries industrially. These alarmist speeches had the unintended effect of unleashing widespread hoarding during the summer and early fall of 1927. Making matters worse, many peasants chose not to sell their produce to the state during the fall because they could obtain better prices from Nepmen, or private traders, and because of the dearth of cheap goods available to purchase from the state.[2] Consequently, as a result of hoarding and poor state produce procurement, a grain crisis developed.

At the end of 1927, Bukharin and Stalin devised a plan which they believed would provide the state with the means to achieve both rapid industrialization and increased grain acquisition. This two–pronged plan called for greater state investment in heavy and light industry and the allocation of industrial resources from central authorities. By investing more in light industry, and by raising grain prices, the state hoped to improve its trading relationship with the peasantry. In addition to facilitating the creation of affordable goods that the peasantry demanded, the Soviet co–leaders thought that their new industrial policy would contribute to the development of heavy industry, which they felt was critical to the defense capability of the USSR. Further, they believed that state participation in the industrial appropriation process would promote full resource utilization and means of obtaining desired growth rates.[3]

While limited central planning certainly was a primary feature of this new industrial policy, Bukharin made it clear that he did not want a return to War Communism. He did so by demanding that three criteria be met in the establishment and implementation of an industrial plan. First, target figures were to be devised according to scientific calculation and not the arbitrary will of political leaders or planners. Second, proportionality between light and heavy industry would be one of the most important considerations in the minds of the plan's decision–makers. Finally, the planning targets, once reached, would serve as flexible guidelines and not mandatory decrees.[4]

At the Fifteenth Congress of the CPSU, which was held in December 1927, Bukharin's requests were honored; general directives—not mandatory quotas—were presented and ratified. Also at the Fifteenth Party Congress, however, the seeds for forced collectivization were planted in the form of an adopted resolution calling for the unification and transformation of small peasant farms into large collectives to be one of the Party's main tasks during the next five years. When speaking on this resolution at the congress, Bukharin issued warnings against overzealous implementation of this new Party policy.[5] On this subject, he was emphatic that collectivization should not be accomplished through "hysterical maneuvering" or from "shots from a revolver."[6]

According to Bukharin, individual peasant house–holds could be convinced to join larger, more efficient production cooperatives through financial incentives. Believing that the successful policy the Bolsheviks had used to encourage peasants to join marketing cooperatives could be applied equally as well to production cooperatives, he advocated that the state provide production cooperatives with preferential access to state loans and state technology. Further, he proposed that direct monetary inducements be given to individuals who joined or formed production cooperatives. While Bukharin supported the gradual development of production cooperatives, he wholly opposed the idea that this could be achieved at the expense of individual middle peasants or marketing cooperatives. In fact, he argued that these three types of economic entities should coexist for "several decades."[7]

However, Bukharin had come to think much less favorably about one particular form of private producers: the kulaks. Their decision to sell their relatively large amounts of grain to Nepmen instead of the state in the fall of 1927 had shaken Bukharin's belief that they could "grow into socialism." Thus, whereas he had told all peasants to "enrich yourselves" in 1925, Bukharin now asserted that a "forced offensive against the kulak" should be initiated to "limit his exploitive tendencies."[8] But Bukharin urged that this offensive should be a peaceful one designed only to deprive the kulaks of their primary means of profiteering. Specifically, he recommended that kulaks be subjected to heavier taxation, stricter laws on hiring and land leasing procedures, and reduced voting privileges in land societies to which they belonged.[9]

Stalin's Manipulation of the Grain Crisis

Although it is apparent from the previous discussion that Bukharin favored non–coercive behavior modification of the kulaks, events in early 1928 compelled him to retreat from this position. During the first weeks in January, the grain crisis became acute. The state possessed only 52 percent of the grain that it had at the same time in 1927, and shortages were becoming severe throughout the Soviet Union.[10] In order to feed the hungry Soviet people, the Politburo unanimously voted to enact "extraordinary" measures. Under these "extraordinary" measures, Soviet authorities were allowed to fine and prosecute speculators and to confiscate their hoarded grain.[11]

When Bukharin and his primary Politburo allies, Aleksei Rykov and Mikhail Tomsky, agreed to support this emergency policy urged by Stalin, they believed that it would be applied only temporarily, and that it would be aimed at kulaks almost exclusively.[12] However, Stalin, to whom responsibility for execution of this policy was given, interpreted the "extraordinary" measures in a totally different way. Viewing the unanimous Politburo vote as a mandate to begin carrying out the collectivization drive prescribed at the Fifteenth Party Congress, Stalin commanded local Party officials to seize grain by all necessary means. To ensure that these orders were being followed, he personally traveled to Siberia to oversee the administration of the "extraordinary" measures.

In Siberia, Stalin initiated a comprehensive collectivization campaign, which would later serve as the model for nationwide collectivization. After listening to local Party officials assert that the main problem they faced in obtaining grain from peasants was the low state purchasing prices, Stalin removed them from their posts. He then formed armed requisitioning squads, who proceeded to seize grain and arrest peasants arbitrarily. Stalin also closed private farmer's markets and began forcing peasants into communes. Soon this institutionalized terror began to yield results, and Stalin departed Siberia. Before leaving, however, Stalin warned the purged and demoralized Siberian Party organization that it had better continue to collect large quantities of grain or risk further reorganization by Moscow.[13]

Upon returning to Moscow, Stalin was confronted by an outraged Politburo headed by Bukharin. While re–affirming their support for the resolution on "extra-ordinary" measures, they chastised Stalin for harassing innocent middle peasants as well as kulaks, for using an unnecessary amount of force, and for upsetting local market relations. Further, Bukharin and his allies became much more closely involved in implementation of the policy. Directives sent to local Party officials included strong condemnations of "excesses" and resolute denials that the "extraordinary" measures were intended to renew War Communism and end the NEP.[14] Also, A.I. Mikoyan, Stalin's right–hand man in the grain procurement drive, was asked by the Politburo to write an article for *Pravda* explaining the adverse effect which the agricultural campaign in Siberia had on peasant–proletariat relations. In this article, Mikoyan asserted that many of the activities of the armed requisitioning squads were "harmful, unlawful, and inadmissible."[15]

These official pronouncements, combined with mild application of the "extraordinary" measures and increased state grain purchasing prices, helped the Bolsheviks reestablish decent relations with the middle peasants. The state continued to obtain sufficient levels of grain, and, at the April CPSU Central Committee Plenum, Stalin declared that "the crisis had been averted."[16] Following this proclamation, the "extraordinary" measures were suspended. However, just a few short weeks later, a series of natural and man–made problems forced the Party to reactivate the measures to avert agricultural disaster and widespread famine.

First, an unusually severe winter resulted in the destruction of much wheat in the Ukraine and the North Caucasus. Due to this fact, these regions required the state to provide them with grain supplies and resources to resow their land. Ordinarily, the amount of wheat that the state had acquired during the winter and early spring of 1928 would have allowed it to deliver the necessary quantity to the two hard–hit regions. But, because Stalin's centralized implementation of the "extraordinary" measures deprived many farm regions of the grain ordinarily sold to them by local peasants, the state was forced to distribute grain to many places which previously had been self–sufficient. Also, the local Party organizations across the Soviet Union had relaxed their grain procurement drives following the suspension of the "extraordinary" measures, and the resulting drop, modest though it was, contributed to the worsening of the situation.[17]

This unexpected grain shortage further eroded Stalin's confidence in the reliability of individual peasant farmers. He even went so far as to say that the Soviet Union could "no longer make progress on the basis of the small individual peasant economy."[18] In a speech which he gave at the Moscow Institute of Red Professors in late May, Stalin asserted that the country could move towards socialism only by making the "transition from individual peasant farming to collective, common farming."[19] In Bukharin's view, these words indicated that Stalin was contemplating renewing and accelerating the collectivization campaign that he had begun in Siberia in January.

To prevent Stalin from taking this course of action, Bukharin attempted to alert the other members of the Politburo to the dangers which Stalin's actions and public statements represented. In a series of letters to these members, Bukharin argued that Stalin had increased the severity of the "extraordinary" measures since their reactivation, and that, as a consequence, the peasant–proletariat smychka was threatened. Bukharin also claimed that Stalin's talk of a "class war" against kulaks and a "sudden leap toward collectivization" in speeches and journal articles called into question whether the General Secretary was preparing to initiate a second socialist revolution which would bring the NEP to a close. Denouncing both of these developments as abandonments of Marxism–Leninism, Bukharin requested that these issues be discussed at the upcoming CPSU Central Committee Plenum in July.[20]

The Political Battle Between Bukharin and Stalin

In response to these letters, Stalin mobilized his supporters in the Central Committee, and the July Plenum became the battleground for a decisive showdown between Bukharin and the General Secretary. Asserting that the price–raising proposal on grain put forward by two Bukharinist supporters represented a capitulation to the kulaks, Stalin claimed that such concessions were the ideas of "peasant philosophers" and not "Marxists or Leninists."[21] The following day, Bukharin addressed the comments made by Stalin and argued that Lenin himself had made market relations between the peasants and the state the basis of the smychka during the NEP, and he reaffirmed Lenin's belief that the Party "must in no case allow a threat to the smychka."[22]

Bukharin's speech convinced the Central Committee of the necessity of maintaining good relations with the peasantry, and, consequently, they voted to raise grain prices, to terminate the "extraordinary measures," and to pronounce publicly the Party's support for the continuation of the NEP. However, as the Plenum was drawing to a close, rumors circulated that Stalin had yielded in his demands for an accelerated collectivization campaign only because he did not have quite the strength within the Central Committee at the time to discredit Bukharin and his allies completely.[23]

One month after the Plenum, though, Stalin launched a political assault on Bukharin's allies. The General Secretary began this offensive by having the pro–smychka editors of *Pravda* and the *Bolshevik* removed from their posts. Next, Stalin attacked the Party leadership of Moscow, which had expressed strong opposition to forced collectivization proposals.[24] In an address to a special meeting of the Moscow Central Committee, Stalin demanded that a "relentless fight against the Right, opportunist danger in our Party" be waged because "the triumph of the right deviation in our Party would unleash the forces of capitalism (and) undermine the revolutionary positions of the proletariat."[25] Less than a month after this speech, Moscow district secretaries recently appointed by Stalin pressured Nikolai Uglanov, the city's Party boss, to recant for Right deviations.

Following his shake–up of the Moscow Party organization, Stalin sought to wrest control of the Trade Unions from Mikhail Tomsky, one of Bukharin's strongest supporters on the Politburo. Using his powers as General Secretary, Stalin appointed many of his allies to the Party caucus for the Eighth Trade Union Congress. These delegates succeeded in placing a resolution urging complete union support for a heavy industrialization drive in the Congress platform against the wishes of Tomsky, who claimed that the proposal could "victimize the working class and transform unions into houses of detention."[26] Once the Congress actually approved the resolution and voted five Stalinists onto the Central Trade Union Council, Tomsky submitted his resignation as chairman of this body.[27]

The Revelation of the Ideological Split

Tomsky's resignation was the act that most convinced Bukharin that action had to be taken to prevent Stalin from completely removing gradualists from the policy–making process and abandoning the NEP. Choosing the fifth anniversary of Lenin's death to make his dire appeal to CPSU Central Committee members, Bukharin composed an article entitled "Lenin's Political Testament." In this article, Bukharin stated Lenin's case for the NEP. Specifically, Bukharin recounted how Lenin repeatedly had asserted that the construction of Soviet socialism was dependent on good relations between the proletariat and the peasantry and on the development of capital accumulation and industrialization proceeding "on the healthy base of expanding market relations."[28]

Following the publication of this article, many of Stalin's supporters publicly condemned Bukharin for portraying Lenin as "a common peasant philosopher."[29] Around the same time that the controversy over this article was rising, Stalin happened to learn about Bukharin's secret meeting with Kamenev in July 1922. With this discovery, Stalin sought to discredit Bukharin further. He convened a special joint meeting of the Politburo and the leaders of the Central Control Commission to discuss Bukharin's alleged "factional activity." At this meeting, Stalin accused Bukharin of masterminding a "right–opportunist, capitulatory platform" and conspiring to form "an anti–Party bloc with the Trotskyists."[30]

Prepared for just these sorts of charges, Bukharin responded by presenting a thirty–page counter–indictment of Stalin. In this lengthy report, Bukharin asserted that Stalin had attempted to "implant bureaucratism and establish a personal regime inside the Party." According to Bukharin, Stalin's power politics made it impossible for problems to be debated earnestly and resolved rationally, and it was because of these "abnormal conditions" that Bukharin met with Kamenev to gain the latter's cooperation in exposing Stalin as an aspiring dictator.[31]

Bukharin's spirited and organized self–defense took the Politburo members and Central Control Commission leaders by surprise. The group established a small commission to investigate both sets of charges. This commission, which was comprised largely of Stalinists, decided that if Bukharin retracted his indictment against Stalin and acknowledged that he had committed a "political error" in meeting with Kamemev, he need not be censured. However, Bukharin rejected this solution because he realized that his “confession” would be used by Stalin either to force him to accept the super–industrialization program or to expel him entirely from the political process. Bukharin’s decision infuriated the entire body of jurors involved in the case, and, on February 9, they strongly censured him for his “factional activity.”[32]

With this major victory in hand, Stalin lobbied for the adoption of a five–year plan emphasizing collectivization and rapid industrialization at the Central Committee Plenum in April. In a speech to the Central Committee, Stalin asserted, “We (the Party) must develop our industry to the utmost as the principal source from which agriculture will be supplied with the means for its reconstruction.”[33] Additionally, Stalin asserted that “whipping up the tempo of the development of agriculture” was dependent on “amalgamating scattered peasant farms into large farms, into collective farms.”[34]

In his speech, Stalin challenged Bukharin both as a political leader and as a Marxist theoretician. Stalin criticized Bukharin for his proposal that Soviet agriculture be bolstered through “market normalization” and the “development of individual peasant farming.” According to Stalin, the result of such a strategy would be “to reduce the rate of development of industry and to undermine the new forms of the bond (between the peasantry and the proletariat).”[35] Labeling Bukharin a Right deviationist, Stalin criticized him for asserting that kulaks could grow into socialism. In Stalin’s opinion, such a hypothesis contradicted the Marxist theory of class struggle. The Central Committee members subsequently voted to remove Bukharin as chief editor of *Pravda* and General Secretary of the Comintern and by approving Stalin’s five–year plan.[36]

The Implications and Effects of Bukharin’s Ouster

By effectively denying Bukharin any forum to voice opposition to forced collectivization and placing his thought outside of the Marxist tradition, Stalin obtained the power to redefine Soviet ideology concerning agriculture. Whereas prior to the silencing of Bukharin, the NEP had been perceived as means of building socialism, Stalin now claimed that it "was not only a retreat (from socialism), but also the preparation for a new, determined offensive against the capitalist elements in town and country."[37]

Stalin's revision of Lenin's agricultural directives included a greatly increased differentiation between types of cooperatives. Stalin evaluated cooperatives in terms of the privatization which existed within them. Judging according to this criteria, he condemned the *prostye* and *TOZ* forms of cooperatives, which were the types that Lenin had expressed much hope about in his last writings, because they allowed private ownership of livestock, dwellings, light equipment, and even some land.[38]

Stalin expressed more optimism in the *artel* form of cooperative because it began the process of the socialization of the means of production. However, the fact that members of the *artel* were paid according to their work done disturbed Stalin's sense of egalitarianism. Because the *kommuna* form of cooperative provided for equal salaries, collective organization of the farm, and collective ownership of property, it received Stalin's highest blessing.[39] In fact, once Stalin initiated his second collectivization campaign in late 1930, the *kommuna* became the model for the *kolkhoz*, or collective farm. By the end of 1936, almost 90 percent of the peasant households had been incorporated into these types of collective farms.[40]

However, this massive collectivization was achieved only at great economic and political cost. Following the herding of millions of peasants onto collective farms in 1931 and 1932, mass confusion and hysteria arose among these coerced farmers. Owing to the rough treatment, low pay, and lack of state guidance concerning proper division of labor that they received from the state, peasants on many collective farms began slaughtering much of the livestock for their own personal consumption. To stop this phenomenon, Stalin had severe legislation adopted which made pilfering of kolkhoz property punishable by "the maximum means of social defense, shooting, or in case of extenuating circumstances, deprivation of freedom for not less than ten years, with confiscation of all property."[41]

Stalin's strict policy did not contribute to the improvement of the agricultural situation. In fact, the harsh law only further demoralized the peasants as evidenced by the fact that they left 13 percent of the summer crop unharvested.[42] Infuriated by this performance, Stalin decreed that regions which failed to meet their 1932 grain quotas would cease to be provided with state commodities. When it became apparent that this threat still would not result in the fulfillment of the grain quota, Stalin ordered that the law against kolkhoz pilfering be enforced to a greater extent and that state authorities seize the necessary amounts of grain to meet the 1932 planned figure. These combined actions allowed the state to obtain a minimally acceptable quantity of grain, but resulted in the deaths of millions of peasants.[43]

The severity and costliness of these grain requisitioning tactics caused numerous Bolsheviks, including several long–time Politburo allies of Stalin, to question the correctness of collectivization.[44] Stalin seized upon the mysterious assassination of one of these individuals, Sergei Kirov, a Politburo member and Leningrad Party chief, to strike a death blow to all those people who represented a threat his power as General Secretary and to his plans for the continued rapid construction of socialism. Portraying Kirov's murder as the first act in a Trotskyite conspiracy to eliminate the Stalinist leadership, Stalin began to try his former political opponents for treason.

In the first such trial, Kamenev, Zinoviev, and fourteen other members of the defeated Left opposition were forced to confess to conspiracy and to implicate the leaders of the scorned Right deviation group. Their accusations led to the trial of Bukharin, Rykov, and nineteen other Right deviationists. All twenty–one defendants in this second trial were found guilty and sentenced to death by firing squad.[45] With Bukharin's execution, Stalin had silenced permanently the last of his former opponents and served notice to all that the slightest deviation from the Stalinist line was a capital offense.

A Retrospective Evaluation of Stalinism

From the preceding account of the development of Stalin's collectivization program, it is evident that Bukharin did not support the institutionalization of state grain requistioning and the establishment of inflexible grain quotas that Stalin eventually implemented. Further, it should be noted that Bukharin expressed his complete opposition to the idea of coercing peasants to join collective farms. Most importantly, though, it is necessary to recognize how and why Bukharin disputed these Stalinist policies. Specifically, he objected to the creation of a socialism in which voluntary cooperatives had no place. Consequently, he defended his cause by reiterating Lenin's repeated calls for the promotion of co–operatives and spoke of the dangers that collectivization could have on Soviet agriculture. Although his warnings proved to be prophetic, they also contributed to his demise.

Stalin chose to overcome Bukharin's opposition to collectivization by politically isolating him and portraying him as non–Marxist theorist and an anti–Leninist conspirator. After successfully removing Bukharin from the policy–making process and discrediting his gradualist program, Stalin introduced his alternative strategy for building socialism in the USSR. Specifically, he called for rapid industrialization and forced collectivization. In advocating such policies, Stalin implicitly rejected Lenin's recommendation for long–term implementation of the NEP and Marx's warning against coercing peasants to join worker collectives. For this reason, Stalin's industrialization and collectivization campaigns should be regarded as major deviations from Marxism–Leninism.

ENDNOTES

[1] In 1926, 76.8 million tons of grain were harvested and 11,083,000 rubles worth of industrial goods were produced. The corresponding figures for 1913 were 80.1 million tons of grain and 10,251,000 rubles worth of industrial goods. For these and other economic comparisons, see Alec Nove, *An Economic History of the USSR,* 2d ed (London: Penguin Books, 1989), p. 84.

[2] Stephen Cohen provides a thorough discussion of the relationship between the war scare and the grain crisis of 1927 in *Bukharin and the Bolshevik Revolution* (New York: Alfred A. Knopf, Inc., 1973), pp. 263–264.

[3] Cohen analyzes the motivation behind the new industrial plan conceived by Bukharin and Stalin in late 1927 in *Bukharin and the Bolshevik Revolution*, pp. 244–247.

[4] Ibid.

[5] R.W. Davies evaluates Bukharin's qualified support for cautionary statements regarding the Party's resolution on work in the countryside at the Fifteenth Congress of the CPSU in *The Socialist Offensive* (London: MacMillan Press, 1980), p. 38.

[6] Quoted in Cohen, *Bukharin and the Bolshevik Revolution*, p. 250.

[7] Cohen traces the evolution in Bukharin's thinking on agricultural production cooperatives in *Bukharin and the Bolshevik Revolution*, pp. 250–251.

[8] Quoted in Cohen, *Bukharin and the Bolshevik Revolution*, p. 250.

[9] Ibid.

[10] Davies gives a month–by–month account of the grain procurement drive between 1926 and 1930 in *The Socialist Offensive*, pp. 427–429.

[11] Cohen describes how the Politburo reached its decision to enact the "extraordinary" measures and exactly what these measures were in *Bukharin and the Bolshevik Revolution*, p. 278.

[12] Ibid.

[13] Cohen details Stalin's tumultuous trip to Siberia and Bukharin's reaction to it in *Bukharin and the Bolshevik Revolution*, pp. 278–279.

[14] Ibid.

[15] Quoted in Moshe Lewin, *Russian Peasants and the Soviet Power* (London: Allen and Unwin LTD, 1968), p. 231.

[16] Ibid., p. 239.

[17] Lewin assesses the factors contributing to the dire grain situation faced by the Bolsheviks in the late spring of 1928 in *Russian Peasants and Soviet Power*, pp. 238–239.

[18] Quoted in Cohen, *Bukharin and the Bolshevik Revolution*, p. 279.

[19] Quoted in Robert V. Daniels, "The Struggle with the Right Opposition," in *Foundations of Soviet Totalitarianism* (Lexington, MA: D.C. Heath Company, 1965), p. 24.

[20] Cohen discusses the content and the impact of Bukharin's letters on Soviet policy–making in *Bukharin and the Bolshevik Revolution*, p. 285.

[21] Quoted in Daniels, "The Right Opposition," p. 26 .

[22] Ibid., p. 28.

[23] Cohen chronicles the proceedings which occurred at the July plenum in *Bukharin and the Bolshevik Revolution*, pp. 289–291.

[24] Daniels describes Stalin's attacks on Bukharin's supporters in "The Right Opposition," pp. 32–33.

[25] Quoted in Cohen, *Bukharin and the Bolshevik Revolution*, p. 298.

[26] Ibid., p. 301.

[27] Ibid.

[28] Ibid., p. 303.

[29] Ibid., p. 304.

[30] Ibid., pp. 304–305.

[31] Ibid., p. 305.

[32] Ibid., p. 307.

[33] Josef Stalin, "The Right Deviation in the Communist Party of the Soviet Union," in *Selected Writings* (Westport, CN: Greenwood Press, 1970), p. 110.

[34] Ibid., p. 109.

[35] Ibid., p. 112.

[36] Cohen provides an account of the events which took place at the April Plenum in *Bukharin and the Bolshevik Revolution*, pp. 311–312.

[37] Josef Stalin, "The Problems of Agrarian Policy in the USSR," in *Selected Writings*, p. 164.

[38] Lewin distinguishes between cooperative types in *Russian Peasants and Soviet Power*, pp. 529–534, and Nove explains the criteria that Stalin used in evaluating them in *Economic History of the USSR*, pp. 153–172.

[39] Ibid.

[40] Nove, *Economic History of the USSR*, p. 163.

[41] Quoted from the 1932 Soviet Criminal Code in Nove, *Economic History of the USSR*, p. 166.

[42] Nove provides this statistic in *Economic History of the USSR*, p. 167.

[43] Comparing recent Soviet and Western figures for the deaths resulting from deportation and starvation in the early 1930's, Nove estimates that 6 million peasants died as a result of Stalin's policies. See Nove, *Economic History of the USSR*, p. 170.

[44] Cohen discusses the wide–ranging opposition to the excesses of Stalin's collectivization campaign which began to manifest itself during 1932 in *Bukharin and the Bolshevik Revolution*, pp. 343–346.

[45] David MacKenzie and Michael Curren evaluate the validity of the charges brought against the defendants in each of Stalin's show trials in *A History of Russia and the Soviet Union* (Chicago: The Dorsey Press, 1986), pp. 634–637.

CHAPTER IV

PERESTROIKA: A RETURN TO MARKET SOCIALISM

Economic Stagnation Under Brezhnev

During the latter part of the Brezhnev regime, the adverse effects of Stalin's super–industrialization and forced collectivization policies became increasingly apparent. After decades of maintaining high economic growth rates, the USSR experienced a precipitous decline in this statistic in the late 1970s. In contrast to the 7.7 percent Net Material Product growth rate achieved by the Soviet government for the 1966–1970 period, the figure for the 1976–1980 period was only 4.2 percent. Comparing the growth rates for gross industrial output and gross agricultural output for the same two time periods reveals a similar trend: the former dropped from 8.5 percent to 4.4 percent and the latter decreased from 3.9 percent to 1.7 percent.[1]

The primary cause of this deterioration in growth rates was the declining productivity of resources, and the main reason for the latter phenomenon was the lack of incentive offered by the command–administrative system built by Stalin. Enterprises were discouraged from devising more effective ways of producing goods by the multiple levels of authority which had to approve proposed innovations and determine how to incorporate them into the plans of the enterprise. On the other hand, individuals were deterred from working as industriously as possible with the means actually at their disposal by the fact that there would be few worthwhile consumer goods on which to spend their bonus because of the government's continued emphasis on heavy industry and military spending. Further, workers recognized that increased enterprise productivity would result in the raising of target figures for the enterprise in the next plan.[2]

The problems which the lack of incentives and autonomy caused in the field of Soviet agriculture were especially troublesome to the Brezhnev regime. Because the state paid farm workers a predetermined low wage that was based on greatly subsidized consumer food prices, farmers were not motivated to give 100 percent effort to harvesting. Inflexible plan dictates also discouraged farmers from working efficiently because the state told them what, when, where, and how to produce agricultural goods. Because unpredictable weather and mechanical failures with farm equipment were not factored into the plan, considerable waste and target shortfalls resulted.[3]

Consequently, the government decided to invest heavily in the agricultural sector. For the 1971–1975 period, the state increased agriculture's share of the total budget to 26.2 percent, and, for the 1976–1980 period, agriculture was allotted 33 percent of the entire budget.[4] However, most of this investment was directed toward upgrading equipment and not improving farmers' salaries. As a result, farmers chose not to work as diligently as possible, and the agricultural situation did not really improve. This was evidenced by the fact that, despite the large investment in agriculture, the Soviet government had to allocate 40 percent of its hard–currency import spending on food goods.[5]

Gorbachev's Contributions as Agricultural Secretary

In 1978, Brezhnev promoted a relatively young Party First Secretary from the Stavropol region to the position of CPSU Central Committee Secretary, and put him in charge of agriculture. This new secretary's name was Mikhail Gorbachev, and he soon presented the Central Committee with a proposal for reinvigorating the agricultural sector. Specifically, he recommended that collective farms be allowed to allot plots of land to groups of farm families. By giving them the necessary equipment, material, and freedom to raise livestock or crops, and offering them bonuses for whatever they produced above their contractual quota to the collective, Gorbachev hoped to re–instill a sense of autonomy and industriousness in these farm families.[6] Believing that this idea carried some merit, the

Central Committee adopted a decree empowering the managers of collective farms to distribute land to farm families.[7]

Although it took some time before this decree was implemented on a wide scale by farm managers, by 1981 the contribution of farm families to state food production increased significantly. For that year, the output yielded by farm families constituted 25 percent of Soviet food production and represented the largest amount contributed by semi–autonomous entities in the post–Stalin era.[8] Unfortunately for Gorbachev, part of the reason that these *zvenos* ("normless links") accounted for such a relatively large portion of total food production was that actual agricultural output was considerably below the target figure for 1981.[9]

This shortfall convinced Gorbachev that a critical analysis of Soviet agriculture needed to be conducted. Consequently, he convened a conference of agricultural specialists in April of 1982. The boldest critiques of Soviet agriculture presented at this conference were given by Tatyana Zaslavskaya and Vladimir Tikhonov, two theorists who would play a major role in the development of perestroika. Zaslavskaya contended that farmers were becoming alienated from their work because the relations of production had not really been altered since Stalin's time, and Tikhonov argued that the state's over–administration of the agricultural sector had stifled the creative instinct of Soviet peasants. Not surprisingly, both Zaslavskaya and Tikhonov recommended that farmers be given more freedom to decide what to produce and what methods to use to achieve the desired results as a means of improving the Soviet agricultural system.[10]

Apparently the analyses provided by Zaslavskaya and Tikhonov impressed Gorbachev because the 1982 CPSU "Food Program," for which he had ultimate responsibility, called for the for the expansion of the farm family contract arrangement. Specifically, it allowed individual groups of farm families (*zvenos*) to merge with other such groups on the collective farm to form to form a larger entity (*brigada*).[11] While the *brigada*, which could have up to thirty members, was similar to the *zveno* in that each unit leased land and equipment from the farm management and was responsible for providing the collective with an agreed upon quota, the two semi–autonomous units differed in terms of organization and payment. Whereas the *zveno* operated according to precepts of collective decision–making and responsibility, with all members being paid equally, the *brigadi* had a selected leader who supervised the operation and paid members according to the quality and quantity of work that each one contributed.[12]

By legalizing the *brigadi*, Gorbachev hoped to re–stimulate peasant initiative and to enable individual groups of farm families to produce more efficiently by coordinating planting and harvesting plans with other such groups on a collective farm. To Gorbachev's satisfaction, the *brigadi* did yield favorable results. In 1983, the *brigadi* helped increase Soviet agri–cultural output by 5.1 percent.[13] Further, the percentage of total food production contributed by teams on collective contract (i.e., *zvenos* and *brigadi*) grew in each of the years that Gorbachev continued to preside over agriculture.[14] These accomplishments of the *zvenos* and *brigadi* led Gorbachev to assert early in his leadership as General Secretary that "the collective contract and economic accountability are the most important factors for increasing the efficiency of (agricultural) production."[15]

Gorbachev's Call for Ideological Renewal

Having benefitted from the advice given to him by Zaslavskaya and Tikhonov in 1982, Gorbachev appointed both of them to a special group created to restudy the NEP when he was elected General Secretary of the CPSU in March of 1985. Headed by Abel Aganbegyan, a leading Soviet economist, this study group devoted nearly one year to identifying elements of the NEP which could be adapted to the present–day Soviet Union.[16] Receiving the group's recommendations just prior to Twenty–Seventh CPSU Congress in February of 1986, Gorbachev decided to propose to the Congress that a modified tax in kind be made a primary basis for continuing the improvement of agricultural productivity.

In his opening speech to the Party Congress, Gorbachev said:

> The main idea is to give broad scope to economic methods of management, to substantially broaden the autonomy of collective and state farms, to increase their interest in and responsibility for the end results. In substance, it is a question of creatively applying, in the conditions of today, Lenin's idea of the food tax.[17]

Elaborating on this idea, Gorbachev stated that farms would be allowed to use all produce harvested above the planned target as it saw fit. Although he hoped that the state would be able to procure this additional produce through heightened pay for it and other incentives, he explicitly stated that farms could sell it on the collective farm market or through cooperative trade outlets.[18]

Had Gorbachev alluded to Lenin's NEP only this one time in the speech to the Twenty–Seventh Party Congress, it probably would have been enough to cause quite a stir among Soviet social scientists and Western observers alike. However, Gorbachev aroused everyone's curiosity about the direction in which he hoped to lead the USSR by making reference to two other significant components of Lenin's gradualist plan: creative development of ideology and state support for voluntary cooperatives. In a section of his speech dedicated to evaluating the relationship between ideology and reality, Gorbachev asserted that "fidelity to the Marxist–Leninist doctrine lies in creatively developing it on the basis of the experience that has been accumulated."[19] Further, Gorbachev posited that it was imperative for socialist ideology "to draw its energy and effectiveness from the interaction of advanced ideas with the practice of building a new society."[20]

In the same speech to the Party Congress, Gorbachev stated that creating actual conditions in which the worker regained a sense of ownership for his labor was critical to the task of renewing Soviet ideology.[21] According to Gorbachev, one way of providing the worker with such a feeling of ownership was to encourage self–reliant and self–governing cooperatives. For this reason, Gorbachev proclaimed:

> And wherever the need exists, utmost support should be given to the establishment and growth of cooperative enterprises and organizations. They should become widespread in the manufacture and processing of products, in housing construction and in construction on garden and vegetable allotments, and in the spheres of services and trade.[22]

Gorbachev's call for an updated tax in kind, a re–evaluation of official ideology, and the promotion of independent cooperatives inspired numerous Soviet analysts to re–examine Lenin's later works and the NEP experience. One such person was Fyodor Burlatsky, a renowned Soviet journalist. In an article for *Literaturnaya Gazeta*, Burlatsky proposed some modifications of ideas espoused by Lenin to contribute to the gradual development of socialism. First, like Gorbachev, he called for an updated tax in kind, which would be predicated on the provision of greater economic independence to collective farms and state farms and the creation of a more equivalent system of exchange between the farms and the state. Second, he advocated that cooperatives be created in all economic sectors which, from the outset, could practice internal self–government and economic self–accountability.[23] Finally, Burlatsky recommended that the CPSU put Lenin's theory of self–critical evaluation of policy into practice by "resolutely rejecting methods that have not worked, and developing a clear concept of constructive transformations."[24]

Establishing a Leninist Program for Change

Conducting just such a sort of self–critical evaluation of its policies, the Gorbachev government decided that it was necessary to present legislation on individual labor activity to the Supreme Soviet. In lobbying for approval of the bill, the government identified three primary benefits that individual labor activity would have for the Soviet economy. According to the government, the new legislation could "bring the 'desirable' part of the shadow economy under state control and taxation."[25] Additionally, the new law would be helpful in tapping "unused labor reserves," because the people who would be eligible to perform individual labor activity—housewives, students, and pensioners—accounted for an estimated 20 percent of the population. Finally, the government claimed that the new workers which the law would create could provide badly needed consumer goods and services.[26]

On November 19, 1986, the USSR Supreme Soviet passed the Law on Individual Labor Activity. Although the law did not become operative until May 1, 1987, there were approximately 8,000 individual enterprises employing over 80,000 people registered with the state by October of the same year.[27] Perhaps more impressively, though, these enterprises provided the public with an estimated 134 million rubles worth of goods and services.[28] In light of this success, Gorbachev determined that it would be economically beneficial to expand the entrepreneurial opportunities for all Soviet workers. In contrast to the Law on Individual Labor Activity, which only allowed family members residing together to form new enterprises, Gorbachev envisaged a law which would permit unrelated individuals to establish large–sized cooperatives.[29] As a means of building support for such a law, Gorbachev, in two major speeches, recounted Lenin's recommendations for the promotion of cooperatives by the state.

In his first speech, which was given to a special joint session of the CPSU Central Committee and the USSR Supreme Soviet on the occasion of the seventieth anniversary of the Bolshevik revolution, Gorbachev praised Lenin for recognizing that cooperatives were "(one) of the very ways and means of moving towards socialism."[30] Gorbachev further asserted that Stalin's policy of collectivization represented "a deviation from Leninist policy with respect to the peasantry."[31] Finally, after stating that the government was seriously taking into account the lessons of the NEP and collectivization in building perestroika, Gorbachev proclaimed that radical economic reform would require "a drastic expansion of the independence of associations and enterprises."[32]

Gorbachev revealed one way in which he hoped to contribute to such a "drastic expansion" in a speech given to the Fourth All-Union Congress of Collective Farmers in March 1988: through a new law on cooperatives. In his opening remarks to this congress, Gorbachev paraphrased Lenin's quotation that "the growth of cooperatives is the same as the growth of socialism" and reiterated his belief that "blatant distortions of Leninist teachings were perpetrated when collectivization was carried out in the late 1920s and early 1930s."[33] Then, after recounting how much cooperatives had helped the Soviet economy during the NEP, Gorbachev proclaimed that "the cooperative movement and all its diversity must be revived."[34]

To spark this revival, Gorbachev told the congress that the Politburo had approved a draft law on cooperatives and was submitting it for public discussion. This proposed legislation included provisions allowing universal right to participation, expanded sphere of operation, and increased auxiliary privileges for cooperatives. The draft law also contained amendments requiring the state to contribute to the development of cooperatives by providing credit to them, not hampering them with a lengthy licensing process, and not burdening them with heavy taxes.[35] The net result of this draft law and the state's commitment to it, Gorbachev hoped, would be to "bring Lenin's ideas on cooperatives into the present day."[36]

Following this speech, numerous Soviet reformers placed themselves squarely behind the cooperative movement. This list included the sociologist Tatyana Zaslavskaya, the ideologist Georgi Smirnov, and the historian Yuri Afanasyev.[37] But the person who argued most cogently for the development of cooperatives was Nikolai Ryzhkov, who was Chairman of the USSR Council of Ministers at the time (1988). In a speech given to the Deputies of the Supreme Soviet, Ryzhkov elaborated on the contributions which cooperatives could make to the advancement of perestroika and the immediate improvement of the Soviet economy.

Ryzhkov began his speech by stating that cooperatives were inherently appealing to the Soviet people because they provided their members with material incentives and the general population with desirable consumer goods. He also argued that cooperatives "by nature" were responsive to market fluctuations, and that this attribute made them essential to the task of recreating a socialist market like that which existed during the NEP. He further posited that cooperatives were catalysts for scientific and technological innovations. Finally, he claimed that cooperatives were a significant source of socialist renewal, which could help lift the malaise which had enveloped the Soviet population during the last years of the stagnant Brezhnev leadership.[38] For these reasons, Ryzhkov boldly declared:

> The expansion of cooperative activity is not just the latest tribute to fashion, not some temporary zigzag of politics, but a vital requirement for our further progress along the path of projected social and economic transformations.[39]

Although Ryzhkov's speech was received well in general by the Supreme Soviet, there was one aspect of it which generated great debate: the taxation of cooperatives. The proposal called for a progressive income tax, ranging from 30 to 90 percent, to be applied to all cooperative members earning over 500 rubles per month. Numerous deputies from both chambers of the Supreme Soviet voiced dissatisfaction with this proposal, and their protest was taken seriously enough to have included in the cooperative law only broad guidelines for taxation.[40]

After this amendment of the draft law, which ultimately made local authorities the sole beneficiary of cooperative taxation and which encouraged them to grant cooperatives tax breaks, the Supreme Soviet voted unanimously in favor of the Law on Cooperatives, and it went into effect on July 1, 1988. This law established that cooperatives were one of the fundamental elements of the Soviet socialist economy and that they were allowed to engage in any activity not proscribed by USSR or republican legislation. The law also required local state officials to coordinate with cooperatives so that these enterprises could draw up their own five–year operating and budgetary plans. Further, the law permitted cooperatives to price their goods and services according to market supply and demand except when the state purchased the product or when the cooperative output was made with state–supplied natural resources or acquired through the central allocation system.[41]

Following the enactment of this law, many individuals decided to join or form cooperatives. Prior to the passage of the Law on Cooperatives by the Supreme Soviet, only about 14,000 cooperatives existed, and they produced a mere 350 million rubles worth of goods and services, or .1 percent of the Soviet national product. However, by January 1, 1989, some 77,500 cooperatives employing approximately 1,392,000 people were registered with the state, and they produced 6 billion rubles worth of output, or 1 percent of the Soviet national product. In 1989, cooperative activity grew at an even greater rate. As of July 1, 1989, 133,000 cooperatives employing 2,900,000 people existed in the USSR, and they produced 12.9 billion rubles worth of goods and services, or 3 percent of the Soviet national product. Considering that the 2,900,000 people working for cooperatives by July 1989 represented only 1.5 percent of the Soviet labor force, their output level was quite exceptional.[42]

The marked success of the cooperatives did more than just help bolster the Soviet economy. It created a highly prosperous group of people, and this group drew the ire of many Soviet citizens. After decades of egalitarian wage leveling, people resented the fact that cooperative workers could earn salaries which dwarfed those given by the state. (According to statistics revealed for the fourth quarter of 1988, the average monthly wage for cooperative workers was 406 rubles before distribution of profits while that of state employees was only 217 rubles.[43] People were especially infuriated about this wage differential because they felt that it was created in large part by the exorbitant prices charged by cooperatives for their goods and services.[44]

The public made their dissatisfaction with perceived cooperative price gouging known in several ways. First, in several polls taken in 1988, large numbers of people expressed reservations about cooperatives. Second, many citizens wrote to local and national Soviet newspapers and complained about the "unjustified incomes" of cooperative employees. Finally, in various republics, violent "pogroms" began to be carried out against cooperatives.[45] Seizing upon this public hostility towards cooperatives, conservative elements within the Soviet leadership lobbied for legislation restricting the sphere of activities in which cooperatives could participate. While a resolution towards this end was passed, a closer look at the processes involved and the results achieved will show that the reformers actually dictated the pace and scope of cooperative restrictions.

To begin with, many of Gorbachev's allies, including Ryzhkov, recognized that, in light of public resentment towards cooperatives, some restrictions on non–state–owned businesses needed to be enacted to signal to all that rampant capitalism would not come to dominate the Soviet economy. Further, Gorbachev selected numerous experts in the fields of economics, law, sociology, and medicine to speak about the necessity of adopting a resolution which prevented cooperatives from engaging in activities which threatened public safety. Specifically, these experts argued that some cooperatives were selling goods and services which either were already illegal or which were harmful to Soviet citizens, and these experts asserted that the state could publish a list of forbidden activities which would not affect many cooperatives and which would benefit society greatly.[46] Thus, as one of their last acts of 1988, the Council of Ministers issued a decree which precluded cooperatives from engaging in such dubious endeavors as production of moonshine, narcotics, and weapons, and which applied to an estimated one percent of existing cooperatives.[47]

Recreating Diverse Forms of Socialist Property

In fact, the legislation restricting cooperative activities did not really deter aspiring entrepreneurs. In the first quarter of 1989, 21,800 new cooperatives were formed, and the entire cooperative sector contributed 4.3 billion rubles worth of goods and services to the Soviet economy. An additional 43,700 cooperatives were created in the second quarter of 1989, and, together with already existing cooperatives, they helped produce 8.6 billion rubles worth of output, which was twice as great as the first quarter figure for 1989 and nearly 50 percent greater than the yearly statistic for 1988.[48] These trends convinced Gorbachev that it was politically possible and economically necessary to encourage cooperatives to expand their scale of operations and to increase popular support for economic pluralism.

Gorbachev began his quest for new legislation to promote continued development of cooperatives at the March 1989 Plenum of the CPSU Central Committee. In his opening speech to the Plenum, Gorbachev declared that a new agrarian policy was needed to improve the Soviet food situation, and that the bases for this policy could be discerned by studying the agricultural history of the USSR. He then recounted the successes of the NEP and the failures of collectivization, and contended that the degree of voluntariness upon which the two policies were predicated was the primary reason for the opposite results they achieved. Whereas peasants were allowed to decide freely about joining a cooperative under the NEP, their land was expropriated and they were forced to work on state–controlled collective farms under Stalin's leadership.[49]

According to Gorbachev, the effect of collectivization was the "alienation of rural toilers from (their) property."[50] In order to "resolutely overcome this alienation," he advocated a "restructuring of economic relations in the countryside."[51] He argued that this "restructuring" could be accomplished only if the state recognized "the equality of different forms of socialist ownership of the means of production" and if peasants were offered "broad opportunities for showing independence, enterprise, and initiative".[52] In Gorbachev's opinion, leasing represented one of the best ways for promoting agricultural restructuring, because it was through leasing that "Lenin's idea of the active involvement of personal interest can be realized most fully and people's sense of proprietorship restored to them."[53] Consequently, Gorbachev proposed that a law on leasing be created.[54]

During the summer of 1989, a resolution on leasing was drafted and, in the autumn, it was submitted for public discussion. One of the people who most cogently argued for the institutionalization of leasing was Vadim Medvedev, then–chairman of the Central Committee Ideological Commission. Specifically, Medvedev contended that leasing was a very desirable property type for Soviet society for two reasons. First, leasing could provide significant worker incentives, and, second, it was still a socialized form of ownership by virtue of the fact that the state functioned as "landlord."[55]

After receiving the support of the CPSU Central Committee, the leasing resolution was debated at the November session of the USSR Supreme Soviet. Pavel Bunich, Vice–Chairman of the Supreme Soviet's Joint Committee on Questions of the Economic Reform, proposed the resolution. The draft law stated that lessees could be state organizations, cooperatives, individual labor concerns, or groups of Soviet citizens. Concerning land, the law stated that lessees could lease land for periods of five years to life. If the lessee died during the term of the lease, the lease could be passed on to another member of the leasing group, and upon expiration of the lease, the lessee group would have first claim on a renewed lease on the property in question. The proposed leasing law also included provisions allowing workers to lease equipment from an enterprise in return for a fee or a contractually–agreed upon output level to be delivered to the lessor. Similarly, an enterprise could lease itself from a superior ministry and could fulfill the lease contract by meeting target figures set by the state or by paying a rent.[56]

To garner support for the resolution, Bunich asserted that the proposed law on leasing would promote socialist renewal and economic revival. According to Bunich, the resolution would contribute to the former goal by allowing Soviet citizens to reclaim ownership of their land and their labor, and to the latter goal by increasing worker productivity and state revenues.[57] Despite Bunich's arguments, criticism of the draft law came from both dogmatic Communists and market–oriented reformers in the Supreme Soviet. The former group was led by Mikhail Safin, who argued that better equipment and more investment for state and collective farms was all that was needed to improve Soviet agriculture, not a law promoting the breakup of socialist farms. In contrast, radical reformers led by Anatoly Sobchak posited that the proposed law did not give citizens sufficient ownership rights.[58]

Alexander Nikonov, Chairman of the Supreme Soviet's Joint Committee on Agrarian Questions and Food did much to reduce the concerns of both groups. To relieve the fears of old guard Communists, he cited statistics which showed that there were numerous state and collective farms which were successful and which were not in jeopardy of being broken up. To win the votes of the radical reformers, he recommended that the leasing law be voted on with the stipulation that a law on property be developed to complement the leasing law. The result of Nikonov's maneuvering was the passage of the leasing law by a vote of 268 to 71, with 30 abstentions.[59]

Following passage of the leasing law, Gorbachev immediately assigned Leonid Abalkin, one of his closest economic advisors, to draft a bill on property. Before actually designing legislation, however, Abalkin chose to justify ideologically the existence of diverse property forms within the USSR. He undertook this task at a special conference on economic reform held in late November 1989. In his keynote address to this All–Union Theoretical and Practical Conference, Abalkin contended that objective analysis of "the concept of socialism that V.I. Lenin arrived at in the last years of his life" revealed that "the diversity of forms of public ownership is not a transitional stage but the normal state of the socialist economy."[60] Proceeding from this statement, he posited that it was necessary to transform unprofitable state enterprises "into leaseholding, cooperative, joint–stock, private (based on individual labor activity) and mixed enterprises."[61]

After this conference, Abalkin began constructing a legal framework for the existence of diverse property forms in the USSR. Under Abalkin's draft legislation, property could be owned by citizens, cooperatives, the state, and foreign investors.[62] In February 1990, the Central Committee voted to include Abalkin's property proposals in the platform it would present to the Twenty–Eighth Congress of the CPSU in July.[63] Then, following this vote of Party confidence, Abalkin campaigned for Supreme Soviet passage of the draft law on property ownership. On March 6, 1990, after relatively little debate, the Supreme Soviet approved the 34–article resolution on property, and Mikhail Gorbachev signed it into law.[64] Finally, the Law on Property in the USSR went into effect on July 1, 1990.

Evaluating Perestroika

The preceding examination of Mikhail Gorbachev's reform efforts reveal several facts. First, from the time that he was made Central Committee Secretary responsible for agriculture in 1978, he recognized that decades of collectivization policy had stifled the creative initiative of Soviet farmers, and, as he became more familiar with other sectors of the economy, he realized that this problem plagued virtually all types of Soviet workers. Second, in response to this problem, Gorbachev tried to increase worker incentives through a variety of reforms, and the one in which he placed the greatest hope was the reinstitutionalization of cooperatives. Third, to win support for his market–oriented reforms, he referred to Lenin's last writings and the experience of the NEP as a way of demonstrating that diverse forms of ownership were meant to exist under socialism. Conversely, to reshape further the opinions of Soviet citizens about non–state economic activity, Gorbachev portrayed Stalin's forced collectivization as a gross deviation from Leninist ideals. Clearly, Gorbachev's reinterpretation of Lenin's writings on the NEP and his repudiation of Stalinism indicated that he was an advocate of the CPSU's gradualist tradition. Moreover, Gorbachev attempted to advance the gradualist cause by emphasizing leasing as a preferred form of socialist property.

ENDNOTES

[1] Philip Hanson provides these and other statistics relating to the Soviet economic decline under Brezhnev in "The Economy," in *The Soviet Union Under Gorbachev*, ed. Martin McCauley (New York: St. Martin's Press, 1987), p. 10

[2] Padma Desai analyzes the reasons for decreasing growth rates in *Perestroika in Perspective* (Princeton, NJ: Princeton University Press, 1989), pp. 3–25.

[3] Ibid.

[4] Alec Nove cites these official Soviet figures in his discussion on the Brezhnev government's agricultural policy in *An Economic History of the USSR,* 2d ed. (London: Penguin Books, 1989), p. 363.

[5] Hanson, "The Economy," p. 99.

[6] Desai describes the contract system introduced in the late 1970's in *Perestroika in Perspective*, pp. 17–18.

[7] Karl–Eugen Wadekin chronicles the development of legislation on collective farm contracts and the effectiveness of farm families in "Agriculture" in *The Soviet Union Under Gorbachev*, ed. Martin McCauley (New York: St. Martin's Press, 1987), pp. 119–120.

[8] Ibid., p. 120.

[9] D. Gale Johnson assesses Soviet agricultural performance during Mikhail Gorbachev's tenure as CPSU Central Committee Secretary responsible for the agro–industrial sector in "Agriculture" in *The Soviet Union Today*, ed. James Cracraft (Chicago, IL: University of Chicago Press, 1983), pp. 195–197.

[10] Teodor Shanin recounts Tatyana Zaslavskaya's participation in the 1982 agrarian conference and analyzes her radical Soviet alienation theory in the preface of Zaslavskaya's *The Second Socialist Revolution*, trans. Susan M. Davies (Indianapolis: Indiana University Press, 1990), pp. xi–xii. Don Van Atta discusses Tikhonov's 1982 critique of the Soviet agricultural system in "Theorists of Agrarian Perestroika," *Soviet Economy*, Vol. 5, No. 1, 1989, pp. 89–90.

[11] Nove highlights the major points of the 1982 CPSU Food Program, including that which pertains to collective farm contracts in *Economic History of the USSR*, pp. 365–367.

[12] V.P. Gagnon distinguishes between the zveno and the brigada in "Gorbachev and the Collective Contract Brigade," *Soviet Studies*, Vol. 39, No. 1 January 1987, pp. 2–3.

[13] Hanson, "The Economy," p. 100.

[14] Wadekin, "Agriculture," p. 120.

[15] Quoted in Gagnon, "The Collective Contract Brigade," p. 9.

[16] Abel Aganbegyan writes about the significance of the findings of this NEP study group on Gorbachev's thinking and the development of perestroika in *Inside Perestroika* (New York: Harper and Row, Publishers, 1989), pp. 156–157.

[17] Mikhail Gorbachev, "Report of the 27th Congress of the Communist Party of the Soviet Union," in *Speeches and Writings* (Oxford, UK: Pergamon Press, 1986), p. 34.

[18] Ibid.

[19] Ibid., p. 94.

[20] Ibid., p. 95.

[21] Ibid., pp. 43–44.

[22] Ibid., p. 44.

[23] Fyodor Burlatsky, "Lenin and the Strategy of Complete Change," *Current Digest of the Soviet Press*, Vol. XXXVIII, No. 22, 1986, p. 6.

[24] Ibid., p. 7.

[25] Quoted in Karin Plokker, "The Development of Individual and Cooperative Labor Activity in the Soviet Union," *Soviet Studies*, Vol. 42, No. 3 (July 1990), p. 405.

[26] Plokker evaluates the three primary motivating factors leading to the Gorbachev government's proposal for legalizing limited individual labor activity in "Individual and Cooperative Labor Activity," pp. 404–405.

[27] Anthony Jones and William Moskoff offer numerous statistics on the growth in number and productivity of individual and cooperative enterprises during the Gorbachev era, including the one cited on individual enterprises registered by October 1987, in "New Cooperatives in the USSR," *Problems of Communism*, Vol 38, No. 6 (November/ December 1989), p. 28.

[28] Ibid.

[29] Ibid.

30 Mikhail Gorbachev, "October and Restructuring: The Revolution Continues," *Current Digest of the Soviet Press*, Vol. XXXIX, No. 44, 1987, p. 4.

[31] Ibid., p. 6.

[32] Ibid., p. 9.

[33] Mikhail Gorbachev, "Put Cooperatives' Potential in the Service of Restructuring," *Current Digest of the Soviet Press*, Vol XL, No. 12, 1988, p. 1.

[34] Ibid., p. 3.

[35] Ibid., pp. 4–5.

[36] Ibid., p. 4.

[37] Zaslavskaya, Smirnov, and Afanasyev voice their opinions on cooperatives in a series of interviews with Stephen Cohen and Katrina vanden Heuvel, which are recorded in the latter two individuals' *Voices of Glasnost* (New York: W.W. Norton and Company, 1989), pp. 89, 102–105, 123–125.

[38] Nikolai Ryzhkov, "On the Role of Cooperatives in the Development of the Country's Economy and the Draft Law on Cooperatives in the USSR," *Current Digest of the Soviet Press*, Vol. XL, No. 21, 1988, pp. 12–13.

[39] Ibid, p. 12.

[40] John Tedstrom gives an account of the cooperative taxation controversy in "The Reemergence of Soviet Cooperatives," in *Socialism, Perstroika, and the Dilemmas of Soviet Economic Reform* (Boulder, CO: Westview Press, 1990), pp. 112–114.

[41] Tedstrom outlines the main provisions of the Law on Cooperatives in "Reemergence of Soviet Cooperatives," pp. 109–121.

[42] Jones and Moskoff, "New Cooperatives in the USSR," p. 29.

[43] Ibid., p. 33.

[44] Ibid.

[45] Jones and Moskoff discuss public manifestations of resentment towards cooperatives in "New Cooperatives in the USSR," pp. 32–35.

[46] See, for instance, Igor Prostyakov, "What Can and Cannot Be Done and Why," *Current Digest of the Soviet Press*, Vol. XLI, No. 1, 1989, p. 11.

[47] See "The USSR Council of Ministers' Resolution of December 29, 1988," *Current Digest of the Soviet Press*, Vol XLI, No. 1, p. 10.

[48] Jones and Moskoff, "New Cooperatives in the USSR," p. 97.

[49] Mikhail Gorbachev, "On the CPSU's Agrarian Policy in Today's Conditions," *Current Digest of the Soviet Press*, Vol. XLI, No. 3, 1989, pp. 4–5.

[50] Ibid., p. 10.

[51] Ibid.

[52] Ibid.

[53] Ibid.

[54] Ibid., p. 11.

[55] V. Badov and A. Nikitin Medvedev provide details on Medvedev's remarks and recommendations to the November Plenum of the CPSU Central Committee in "Economic Reform at a Turning Point," *Current Digest of the Soviet Press*, Vol. XLI, No. 45, 1989, pp. 13–14.

[56] Philip Hanson summarizes the main components of the leasing law in "Ownership Issues in Perestroika," in *Socialism, Perstroika, and the Dilemmas of Soviet Economic Reform*, ed. John Tedstrom (Boulder, CO: Westview Press, 1990), pp. 86–91.

[57] Bunich's arguments in favor of the leasing resolution can be found in V. Dolganov and A. Stepovoi, "And Finally a Debate on Leasing," *Current Digest of the Soviet Press*, Vol. XLI, No. 47, 1989, p. 11.

[58] V. Dolganov and A. Stepovoi chronicle the debate on, and ultimate passage of, the law on leasing in "Leasing Is a Legitimate Endeavor," *Current Digest of the Soviet Press*, Vol. XLI, No. 47, 1989, pp. 11–12.

[59] Ibid.

[60] Leonid Abalkin, "The Radical Economic Reform—Top–Priority Tasks and Long–Term Measures," *Current Digest of the Soviet Press*, Vol. XLI, No. 46, 1989, p. 11.

[61] Ibid., pp. 13–14.

[62] The text of the Law on Property in the USSR can be found in "Law of Union of Soviet Socialist Republics on Property in the USSR," *Current Digest of the Soviet Press*, Vol. XLII, No. 12, 1990, pp. 21–25.

[63] See "CPSU Central Committee Platform Published," *Foreign Broadcast Information Service—Daily Report on the Soviet Union*,14 February 1990, pp. 44–46.

[64] See "Property in the USSR," pp. 21–25.

CONCLUSIONS

Throughout its history, the Bolshevik Party has claimed to base its program of action on the teachings of Karl Marx and V.I. Lenin. Since the Bolshevik Party, later renamed the Communist Party of the Soviet Union (CPSU), has governed the USSR for more than seventy years, two facts about the Soviet political system can be discerned from the above assertion. First, Soviet leaders, to varying degrees, have used ideology as a policy–making criterion, and second, the writings of Marx and Lenin have been used to establish a standard against which to evaluate the ideological legitimacy of specific Soviet policies. By examining the views of Marx and Lenin on cooperatives and analyzing the economic programs of Bukharin, Stalin, and Gorbachev relating to these worker collectives, much can be learned about the ways in which Soviet leaders have used ideology to formulate and implement policy.

First, the conditions under which Marx and Lenin thought cooperatives could contribute to the construction of socialism can be identified. Second, the motivations of Bukharin, Stalin, and Gorbachev for introducing cooperative reform programs can be discovered. Third, the functions which these three Soviet leaders hoped ideology would serve in the promotion of these programs can be ascertained. Fourth, the degree of fidelity to Marxism–Leninism embodied in the different cooperative policies espoused by Bukharin, Stalin, and Gorbachev can be measured. Finally, some ways of legitimately developing Marxism–Leninism can be distinguished.

Marx expressed great optimism in the socialist potential of cooperatives because they involved all cooperative members in the production process and provided for a more equitable distribution of assets than did capitalist firms. However, for cooperatives to contribute meaningfully to the construction of socialist society, Marx argued that political power had to be in the hands of the proletariat and that cooperatives had to be expanded on a nationwide scale. But, at no time, Marx proclaimed, should coercion be used by a socialist government to compel individuals to join cooperatives. In Marx's opinion, it was the voluntary nature and economic independence that cooperatives possessed which made them such a socially desirable labor form.

In his writings, Lenin frequently praised Marx for his recognition of the usefulness of cooperatives in building socialism and asserted that, upon their seizure of power in Russia, the Bolsheviks would work to establish a network of producers' and consumers' cooperatives. Even during the trying times of the Russian Civil War, Lenin reaffirmed his intention of making voluntary cooperatives one of the foundations of Soviet socialist society. After the Bolsheviks' triumph in the Civil War, Lenin attempted to honor this commitment by introducing the New Economic Policy (NEP) as a means of creating a market socialist economy. As the NEP helped alleviate the devastation left by the Civil War and cooperatives proved themselves to be economically productive, Lenin recommended that a market socialist economy be maintained indefinitely and that cooperatives be promoted as a way of helping peasants develop into socialism.

Largely due to the positive assessments on cooperatives provided by Marx and Lenin, three subsequent Soviet leaders chose to make worker collectives a vital component of their economic programs. However, the ways in which each leader intended cooperatives to contribute to the improvement of the Soviet society varied significantly. Nikolai Bukharin, the Bolshevik who most influenced Soviet policy immediately following the death of Lenin, advocated the continuation of state support for voluntary and independent cooperatives because he wanted to promote the gradual development into socialism that Lenin had recommended. Josef Stalin, who had Bukharin removed from power, rejected this strategy and instead attempted to build socialism rapidly by making all economic entities, including cooperatives, subservient to the state. Finally, more than thirty years after the death of Stalin, Mikhail Gorbachev initiated a campaign to give more incentives and autonomy to cooperatives in an effort to reconstruct Soviet socialism into a form resembling that envisioned by Lenin and Bukharin.

Although Bukharin, Stalin, and Gorbachev had markedly different goals for cooperatives to fulfill, each of the three leaders claimed that he was basing his program on Marxism–Leninism. While Bukharin and Gorbachev asserted that they were attempting to execute the gradualist legacy left by Lenin in his last writings, Stalin referred to some of Lenin's earlier pieces on the NEP, in which the first Soviet leader depicted the NEP as a temporary retreat from socialism, as a means of defending his attempt to build socialism rapidly. Stalin further justified his decision to implement mass collectivization by arguing that Marx's theory of class warfare necessitated that the Soviet government liquidate the kulaks, a semi–capitalist element that had allegedly come to dominate the countryside, in order to be able to construct socialism.

In addition to serving as a source of motivation for the three leaders, Marxism–Leninism was used in other ways by Bukharin, Stalin, and Gorbachev. First, all three leaders won approval for their cooperative policies within the CPSU by presenting them as vehicles for realizing the goals of Marx and Lenin. Second, the three leaders explained their cooperative programs to the public in ideological terms to demonstrate their dedication to the task of building socialism, a tactic which they hoped would lend political legitimacy to the Soviet government. Finally, Bukharin, Stalin, and Gorbachev relied on ideological campaigns to inspire Soviet citizens to participate in and support cooperatives.

However, while Bukharin, Stalin, and Gorbachev all portrayed themselves as legitimate executors of the wills of Marx and Lenin, close examination reveals that this was not the case. Regarding cooperatives, it is evident that only Bukharin and Gorbachev faithfully adhered to Marxist–Leninist ideals. They promoted the development of voluntary and independent cooperatives and advocated that there be a system of equivalent exchange between the state and the cooperatives, and they recognized that these objectives required a long–term commitment to a market socialist economy. On the other hand, it is abundantly clear that Stalin deviated from the Marxist–Leninist course. By choosing to collectivize the peasantry, Stalin violated the principle against forcibly expropriating peasants established by Marx and Lenin. Further, in creating equal wages for all cooperative workers, Stalin abandoned the Marxist–Leninist precept that citizens of a socialist society should be able to earn according to their work.

In counterpoint to Stalin's perversion of Marxism–Leninism, Bukharin and Gorbachev provide examples of how Soviet ideology can be expanded legitimately. Bukharin contributed to the development of Marxism–Leninism through theoretical discourse. Specifically, Bukharin's idea that cooperatives could help peasants grow into socialism through the contacts that these enterprises made with other socialist institutions increased CPSU support for independent worker collectives and encouraged the state bank to provide the financial assistance necessary for the cooperatives to flourish. Gorbachev added to Soviet ideology by adapting Marxism–Leninism to the current conditions of the USSR. In particular, Gorbachev argued that for cooperatives to help Soviet socialism continue to evolve positively, the state needed to institutionalize a regulated market and a plurality of forms of ownership, with leasing being given a preferential status.

In summation, then, the preceding analysis of the beliefs of Marx and Lenin concerning cooperatives and programs relating to worker collectives devised and implemented by Bukharin, Stalin, and Gorbachev reveal several important facts about Marxism–Leninism and its role in the Soviet political system. First, Marx and Lenin believed that voluntary and autonomous cooperatives were vital to the construction of socialism. Second, the forced collectivization campaign executed by Stalin thus actually represented a gross deviation from Marxism–Leninism, while the cooperative policies espoused by Bukharin and Gorbachev in fact were efforts to realize the vision of Marx and Lenin. Third, the attempts by Bukharin and Gorbachev to revitalize the Soviet economy through the promotion of cooperatives suggest that ideology can be a source of inspiration for Soviet leaders. Fourth, the theories and policies conceived of by Bukharin and Gorbachev to help bolster cooperatives show that Marxism–Leninsm can be creatively developed. Finally, the fact that Bukharin and Gorbachev chose to justify their cooperative programs to both the CPSU and the people indicate that Soviet leaders feel that ideology is an important legitimating tool.

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