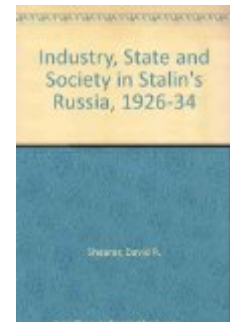




David R. Shearer. *Industry, State, and Society in Stalin's Russia, 1926-1934.* Ithaca: Cornell University Press, 1996. xiv + 263 pp. \$49.95, cloth, ISBN 978-0-8014-3207-1.



Reviewed by Clayton Black

Published on H-Russia (December, 1997)

For years historians have been exploring the process of industrialization in Russia, and as more details of that process have been uncovered, Soviet industrialization appears less like a highly structured, state-organized mobilization of resources and more like a chaotic jumble of ill-conceived, even contradictory, plans and ungovernable storming campaigns. Until recently, the bulk of historians' work has been devoted to transformations of the work force, cultural changes, and the upheaval of collectivization. Anyone who does some preliminary spade work in the field of the First Five-Year Plan, however, soon discovers that beneath the surface of class conflict and wage and production problems lies a vast complex of administrative issues that, although fundamental to any understanding of authority and organization, are so daunting and, alas, tedious, that few have been willing to tackle them. E. H. Carr and Robert Davies came closest to providing the kind of institutional history needed to make sense of the web of relationships that connected workers to the state, but their publications never gave the administration of industry the center-stage attention it deserves. It is to David Shearer's credit, there-

fore, that he has unraveled the numerous and intertwined strands of institutional conflict that shaped the outcome of Soviet industrialization.

Shearer disputes the notion that a hyper-centralized command economy was an inevitable byproduct of rapid industrialization. In fact, he argues, from the start of the five-year plan in 1928 until 1930, Soviet economic leaders engaged in a series of institutional disputes and experiments with organization that might plausibly have resulted in a very different brand of state structure. This is not counterfactual history but a study of the tortuous process by which leaders of industrial trusts, syndicates, the Supreme Economic Council (Vesenkha), and the Workers' and Peasants' Inspectorate (Rabkrin) vied for authority over key questions of production and distribution.

Throughout the years of the New Economic Policy (NEP), industrial enterprises of the so-called commanding heights were organized into trusts according to location and type of production. Although function was the ostensible organizing principle for these bodies, most trusts soon discovered that they needed to diversify their pro-

duction to cope with the constant challenges of bottlenecks and supply deficits. By the late 1920s, trusts such as Iugostal, the powerful Southern Metallurgical Trust, had evolved into nearly self-contained entities that combined vertical with horizontal integration. In Moscow, Vesenkha leaders made feeble attempts to rationalize production along functional lines, but major enterprises and powerful trusts maintained permanent staffs in the capital whose influence enhanced the autonomy of the trusts and thwarted centralized control over the economy.

To make matters worse, by 1928 the strength of trade syndicates had grown to such an extent that they challenged the power of the trusts and drove the economy further away from the functionalist designs of state planners. Whereas trusts were to concentrate exclusively on production, the syndicates were to handle the distribution of factories' products and ensure steady supplies of raw materials and parts. Powerful trusts and large factories viewed the growing strength of syndicates as an infringement on their own autonomy, but, for smaller trusts and factories in the distant reaches of the Soviet state, the syndicates provided essential linkages to consumers and suppliers and speeded decisions that would otherwise have had to pass through offices in Moscow. Indeed, by the outset of the First Five-Year Plan, syndicates were not only acting as go-betweens in industrial transactions but were anticipating demand and dictating production schedules to trusts. Not surprisingly, syndicate leaders quickly adopted a market mentality and viewed their own role as the pre-eminent facilitators of future industrial growth.

Yet the decentralization that the strength of the syndicates implied did not sit well with those members of the Soviet elite who had won their reputations maneuvering the fledgling economy through the crises of the civil war years. Leaders such as Sergo Ordzhonikidze and his allies in Rabkrin were more sensitive to the Soviet Union's

international position than their counterparts in the syndicates and Vesenkha. The failure of revolution to spread westward in the 1920s, together with the appearance of strong new alliances between governments and industry in states hostile to the USSR, intensified perceptions that the Soviet Union could ill afford the luxury of a decentralized economy.

Charged with overseeing the functioning of the state apparatus and weeding out corruption, Rabkrin's authority over economic planning was in theory only indirect. Yet in 1928, Rabkrin's assault on what it perceived as the excessive bureaucracy and administrative overlap of syndicates and trusts so disrupted the management of industry that it led to a full-fledged overhaul of economic administration. By late 1930, Rabkrin had successfully reasserted functionalism in industrial organization, and Ordzhonikidze assumed control of Vesenkha. Syndicates remained, although they were stripped of any control over production, and trusts were split up and reorganized. Ironically, Shearer points out, many younger engineers and economic planners, swayed by talk of cutting bureaucracy and eager to take charge of the country's industrial transformation, rejected the more moderate views of their older colleagues and the economists in Vesenkha (many of whom were easily targeted as former Mensheviks) and embraced the radicalism of Rabkrin.

The results were disastrous. Rather than minimizing bureaucracy by slashing the number of trusts and syndicates, the reorganization created such immense burdens for the new centralized industrial associations (*ob"edineniia*) that the size of the apparatus actually grew, and to confront their manifold problems *ob"edineniia* created new subdivisions that virtually reproduced the old trust system. All hope of systematic planning was lost as offices in Moscow struggled to cope with the flood of requests and orders that had once been handled by the syndicates. In many in-

stances, individual enterprises were subject to numerous economic administrations, each of which might operate according to its own rules and criteria. The net effect of this administrative morass (or, as Shearer puts it, "bureaucratic vermicelli" [p. 177]) was an unintended devolution of authority to the factory-shop level. As individual shops assumed basic functions of production and supply for workers, shop *nachal'niki* and foremen regained the role they had lost since the revolution as the principal links between state and society.

No review of a book with as much detail and complexity as Shearer's can pretend to cover its myriad facets in so few words, and readers will doubtless find a host of other issues that deserve mention. Among the many strengths of this work is that it introduces us to an array of actors in the Soviet state who are of national importance but who are invariably neglected in studies of industrialization. Shearer is also much more attuned to the international context of his subject than previous studies of industrialization. The rather bland title of this book may not attract readers on its own, but Shearer's work should be required reading for anyone who wants to understand the relationship between economics and politics in the creation of the Stalinist state.

Copyright (c) 1998 by H-Net, all rights reserved. This work may be copied for non-profit educational use if proper credit is given to the author and the list. For other permission, please contact H-Net@h-net.msu.edu.

If there is additional discussion of this review, you may access it through the network, at <https://networks.h-net.org/h-russia>

Citation: Clayton Black. Review of Shearer, David R. *Industry, State, and Society in Stalin's Russia, 1926-1934*. H-Russia, H-Net Reviews. December, 1997.

URL: <https://www.h-net.org/reviews/showrev.php?id=1591>



This work is licensed under a Creative Commons Attribution-Noncommercial-No Derivative Works 3.0 United States License.