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Julie Hessler: A Social History of Soviet Trade

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Introduction

IT IS EASY to forget that as recently as the 1940s the Soviet economy was widely admired. The USSR's extraordinary rates of growth in the extraction and heavy manufacturing industries during the worldwide depression, followed by its spectacular wartime mobilization, made communism seem a viable economic alternative to the crisis-ridden capitalism of Western Europe and the United States. Economists as deeply opposed to Soviet-style "collectivism" as Friedrich von Hayek and Joseph Schumpeter saw in it the wave of the future. In the years following the war, Western Europe's socialist parties nationalized key industries and communications, widened social security, and mooted ideas for an extraordinary tax on wealth. "Planning" was endorsed in many capitals as a solution not just to the immediate problems of postwar reconstruction but to long-term economic development as well. If a "command economy" patterned directly on the Soviet model was repudiated outside the Soviet bloc, the "administered economy" reigned supreme: with national variations, a new political consensus coalesced around the Keynesian ideas of counter-cyclical investment, demand management, modernization, full employment, and state-controlled growth.

How distant that era seems today! Between then and now lies a chasm: the *trente glorieuse*, *Wirtschaftswunder*, *miracolo economico*, call it what you will, that great economic boom that transformed North America, Japan, and Western Europe in the 1950s and 1960s. From an age of coal and steel, the economies of these regions entered into an age of consumer goods, electronics, the tertiary sector, and information technology. Contrary to popular misconceptions, the prosperity of the postwar period did not bypass Eastern Europe or the Soviet Union. There, too, living standards rose in connection with global agriculture's "green revolution" and with an initial burst of industrial growth. Nonetheless, the expansion was attenuated in comparison with that of the West. Industrial productivity soon stagnated, technology was applied mainly to the military-industrial sector, and a new "consumerist" paradigm is difficult to discern.¹ Soviet society may have progressed beyond "austerity," like its counterparts in

¹ For an up-to-date overview, see Ivan T. Berend, *Central and Eastern Europe, 1944–1993* (Cambridge, 1996).

the West, but “affluence” remained elusive. Some historians have gone so far as to argue that frustrated consumer desires brought down the regime.

Serious research in the 1950s and 1960s overturned the positive assessment of the Stalinist economy prevalent in the early postwar years. In the United States much of this research was sponsored by the federal government, which had an interest in exposing the weaknesses of its Cold War rival.² At the same time, in its emphasis on such questions as real national income, real wages, and the “human costs” of Stalinist industrialization, the scholarship of this period dovetailed with the concerns of an emergent consumer society. Now the success of an economic system was to be judged not on the basis of its coal and steel output but on its ability to provide consumers with an ever-increasing complement of goods. Amid the cacophony of scholarly controversy over methods of calculation and the accuracy of Soviet statistics, one verdict was unanimous: far from an unprecedented success, the Soviet economic system in general, and especially the period of forced industrialization, were deemed a debacle.

The American scholarship of the 1950s and 1960s greatly advanced our knowledge of Soviet economic development, as did some of the Soviet scholarship from the same era.³ Not surprisingly, however, these works bear the imprint of the time and place of their production, whether in Soviet scholars’ insistence on the inexorable progression from “capitalism” through “the building of socialism” to “developed socialism” and then “communism,” or in American scholars’ elaborate extrapolations from a narrow statistical base. Either way, it is striking that we continue to embrace, with very few modifications, an interpretation of Soviet economic development devised at the height of the Cold War. This is partly an effect of the natural migration of economists, who authored all the early American studies, to more contemporary issues: the Brezhnev-era military-industrial complex, the informal sector, the sources of stagnation, and so on. Meanwhile, American historians of the Soviet Union became embroiled in a rancorous debate over the validity of social

² RAND Corporation, a think tank connected to the U.S. Air Force, sponsored a number of important works on the Soviet economy; see, especially, Abram Bergson, *The Real National Income of Soviet Russia since 1928* (Santa Monica, 1961); and Janet G. Chapman, *Real Wages in Soviet Russia since 1928* (Cambridge, Mass., 1961).

³ Soviet works that shaped my understanding of Soviet economic development include Z. V. Atlas, *Sotsialisticheskaia denezbnaia sistema* (Moscow, 1969); Sh. Ia. Turetskii, *Ocherki planovogo tsenoobrazovaniia v SSSR* (Moscow, 1959); A. N. Malafeev, *Istoriia tsenoobrazovaniia v SSSR (1917–1963)* (Moscow, 1964); and diverse studies by S. G. Strumilin.

history in a “totalitarian” setting, leaving economic issues largely to the side.

In Great Britain the situation was different. Historians often invoke a tradition of “Western” historiography, as against the Soviet scholarship, but that tradition was not, in fact, unified. In Britain, as in the USSR itself, economic history remained a vital area of historical research throughout the 1970s and 1980s.⁴ In particular, many important monographs were produced under the auspices of the Soviet Industrialization Project at the University of Birmingham’s Centre for Russian and East European Studies. Compared to their counterparts at Harvard and RAND, the Birmingham authors have tended to write “soft” economic history: they take quantitative data seriously, and put an effort into locating and evaluating Soviet statistics, but they typically use economic analysis as an entrée into social, institutional, or political history, not as an end in itself. As R. W. Davies has recently noted with respect to himself, the Birmingham investigations were often motivated by a socialist political agenda. While their hallmark is meticulous empiricism, a Marxist conceptual framework is often discernible, and hovering in the background are some essentially personal political questions. Can anything from the Soviet experience be salvaged for contemporary socialism? What, precisely, were the Soviet Union’s achievements, and where did it go wrong?⁵

The present work is written from a decidedly non-Marxist perspective, but it resembles the Birmingham studies in both subject matter and interpretations. It echoes Moshe Lewin’s arguments about the role of crises in the complex dynamics of historical change.⁶ It echoes Vladimir Andrić’s insistence on the centrality of cash incomes to living standards,

⁴ Given the strength of the British and Russian traditions of economic history, it is not surprising that British and Russian scholars have authored most of the recent works on the Soviet economy as well. Important examples include R. W. Davies, Mark Harrison, and S. G. Wheatcroft, eds., *The Economic Transformation of the Soviet Union, 1913–1945* (Cambridge, 1994); Mark Harrison, *Accounting for War: Soviet Production, Employment, and the Defence Burden, 1940–1945* (Cambridge, 1996); V. F. Zima, *Golod v SSSR 1946–1947 godov: proiskhozhdenie i posledstviia* (Moscow, 1996); V. A. Shishkin, *Vlast’. Politika. Ekonomika. Poslerevolutsionnaia Rossiia (1917–1928)* (St. Petersburg, 1997); V. P. Popov, *Ekonomicheskaia politika sovetskogo gosudarstva, 1946–1953 gg.* (Tambov, 2000). For studies specifically relevant to trade, see below.

⁵ R. W. Davies, “The Archives and the Stalinist Economy,” unpublished paper for the European University Institute’s conference, “Reappraising the Stalin Era,” Florence, Italy, October 30–31, 2002. Davies is the author of several studies that have influenced this book: *Crisis and Progress in the Soviet Economy, 1931–1933* (London, 1996); *The Soviet Economy in Turmoil, 1929–1930* (Cambridge, Mass., 1989); and, with E. H. Carr, *Foundations of a Planned Economy, 1926–1929* (London, 1969).

⁶ See, especially, the essays in Moshe Lewin, *The Making of the Soviet System* (New York, 1985). Lewin was at Birmingham from 1968 to 1978.

as against the commonly cited view that perquisites and access were everything.⁷ Stretching further back, it echoes Stanislaw Swianiewicz's analysis of Soviet demand management, in which anti-peasant discrimination and repression played fundamental structuring roles.⁸ These and other interpretive affinities, of which I was scarcely cognizant at the time of writing, place this book squarely in the Birmingham tradition. It applies the questions, methods, and archival orientation of social and political history to a cluster of economic topics—retail trade, distribution, and popular consumption—and it uses these subjects to reexamine how the Soviet economy took shape. Proximate causes, including such disparate factors as power struggles and political decisions at one or another juncture, social psychology, and short-term economic conditions feature as prominently in my story as any “deep systemic logic.” Readers will not find evidence here for János Kornai's proposition that once a Communist Party achieves “undivided power . . . this historical configuration bears the ‘genetic program’ that transmits the main characteristics of the system to every cell within it.”⁹ Instead—though of course this is no more than the historian's creed—they will find evidence that if policy makers and even ordinary citizens had made different choices at various moments, things could have turned out differently.

What is gained from a new social and political history of the consumer economy? Much of my information concerns points of detail. Nonetheless, this study offers new interpretations of central aspects of Soviet economic development: the relationship between the New Economic Policy (NEP) and the economic structures that preceded and followed it; the significance of what is sometimes called the “Great Break”; the role of the market in both practice and principle at various moments; the social dimension of Soviet trade policy; and the approach of policy makers to pricing, among other issues. I will briefly review a few of these arguments here.

TWO MODES OF SOVIET SOCIALISM

With respect to trade, it is misleading to speak of “Stalinism.” The consumer economy operated not in one but in two modes during Stalin's dictatorship and, as these two modes also describe Soviet socialism in the

⁷ Vladimir Andrie, *Workers in Stalin's Russia* (New York, 1988).

⁸ S. Swianiewicz, *Forced Labour and Economic Development: An Enquiry into the Experience of Soviet Industrialization* (London, 1965).

⁹ János Kornai, *The Socialist System: The Political Economy of Communism* (Princeton, 1992), 368.

civil war and NEP periods, I will generally eschew the term. True, the two modes shared common elements, which united the thirty-five years from the Bolshevik Revolution to Stalin's death into a single, coherent era. The government's reliance on repression as a routine instrument of economic management was one of those unifying factors; it was characteristic of both modes of Soviet socialism in its formative decades, and placed Lenin and Stalin on the other side of a divide from Stalin's successors. Other points of commonality included the large though never exclusive role of the state in producing, distributing, and marketing foods and consumer goods; the state monopoly of the railroads, river transport, and foreign trade; the existence of both state and cooperative socialist-sector retailers and of outdoor markets for private sales; and the country's meager material base. None of these characteristics was distinctive to either mode of Soviet socialism, much less to war communism, NEP, or any one part of the Stalin period, but rather typified the era as a whole.

What differentiated the two modes of socialism was, at root, the condition of the economy. Although the archival record suggests that food crises afflicted one or another part of the Soviet territory in all but a few years of our period, the major famines of 1921–22, 1932–33, and 1946–47 stand out in relief. Each was the culmination of a multiyear economic and political crisis involving, among other things, the militarization of food procurement and of the distribution of “primary necessities.” For our purposes, then, a crisis mode governed the supply and distribution of foods and consumer goods, and also consumers' behavioral patterns, in 1917–22, 1928–33, and 1939–47, and in the vicinity of each localized famine in the intervening years, whereas a recovery or normalization mode was in place the rest of the time. Until the 1950s normalization never actually led to normalcy; instead, internal and external factors conspired to swing the pendulum back to another crisis phase.

Crisis socialism, as a matter of policy, featured the state's efforts to monopolize commodity flows. Each time, the impetus came from local officials, who had to confront the effects of intensifying shortages on public order. Urban authorities tended to start with limits on purchases but to proceed quickly to rationing, issuing coupons to different classes of consumers in accordance with a system developed during the civil war. Each time, the Kremlin eventually generalized these measures to urban areas throughout the USSR, and added additional perquisites for the most important urban consumers through a network of workplace shops and canteens. A corollary to rationing was open discrimination against rural consumers, whose access to scarce goods in the urban stores was blocked, while rural shops obtained shipments almost exclusively in connection to the increasingly militarized “procurement campaigns”—that

is, purchases of agricultural products by state and cooperative agencies at a submarket price. Yet another corollary was the war on the market: while private sales of nonessential foods and of used, homemade, or abundantly available consumer goods were never declared illegal, crisis socialism brought sharply increased rates of repression against private vendors and an attempt to eliminate the market from the distribution of essential foods and goods. Crisis socialism's closest analogues were the economies of war-torn Central Europe during and immediately after the two world wars.¹⁰ This is not surprising: two of the three Soviet crises grew out of these same conflicts, and the third coincided with the Great Depression abroad.

Again from the perspective of policy, most striking about crisis socialism is that it was always jettisoned before the crisis had peaked. In 1921, 1931–32, and 1946–47, famine was still intensifying while the centralized distribution system was pruned back. Normalization as a policy predated the normalization of economic conditions and consumer behaviors. The government's program for recovery in each instance included the decentralization of supplies and decision making; the stabilization of the currency; the reestablishment of money as the primary unit of value and determinant of consumer access; the reduction and eventual elimination of guaranteed rations; and the liberalization of official policy toward the market. The desperate state of the economy that each time formed the backdrop to these reforms has led many Western and post-Soviet Russian historians to portray them as a "strategic retreat."¹¹ Soviet scholars, by contrast, stressed the extent to which the reforms were consistent with Lenin's, Stalin's, and, indeed, socialism's long-term goals of modernization and economic growth.¹² With qualifications, my judgment is closer to the Soviet view than to that of the previous Western scholarship. No

¹⁰ Cf. Michael Wildt, *Der Traum vom Sattwerden: Hunger und Protest, Schwarzmarkt und Selbsthilfe* (Hamburg, 1986); and Kazimierz Wyka, "The Excluded Economy," in *The Unplanned Society*, ed. Janine Wedel (New York, 1992), 23–61.

¹¹ This is less true of the specialized literature on 1921 than on the later reforms, though see E. G. Gimpel'son, *NEP i sovetskaia politicheskaia sistema. 20-e gody* (Moscow, 2000), 20–21. On 1931–32, see John T. Whitman, "The Kolkhoz Market," *Soviet Studies* 7, no. 4 (April 1956): 384–204; here, 387; Davies, *Crisis and Progress*, esp. 58–64, 94–97, 201–28. On 1946–47, see Donald Filtzer, "The Standard of Living of Soviet Industrial Workers in the Immediate Postwar Period, 1945–1948," *Europe-Asia Studies* 51, no. 6 (summer 1999): 1013–38; here, 1020–22; Zima, *Golod* 51–52; E. Iu. Zubkova, *Russia after the: Hopes, Illusions, and Disappointments, 1945–1957 War* (Armonk, N.Y., 1998), 40–50.

¹² On 1921, see V. P. Dmitrenko, *Sovetskaia ekonomicheskaia politika v pervye gody proletarskoi diktatury* (Moscow, 1986); G. A. Dikhtiar, *Sovetskaia torgovlia v period postroeniia sotsializma* (Moscow, 1963), 139–52; Atlas, *Sotsialisticheskaia denezbnaia sistema*, 173–91; on 1931–32, see 248–61.

less than the normalization policies, crisis socialism itself, after all, was introduced through a series of emergency measures. In the early years of Soviet rule it had vocal ideological advocates in the administration, but other leading Bolsheviks, including A. I. Rykov and probably also Lenin, saw the regimentation of distribution as a step backward and welcomed the NEP as an advance. This was clearly true of Stalin in subsequent decades: when he articulated his vision of socialism in the consumer economy, he firmly rejected crisis socialism in favor of an approach more akin to the NEP.

The NEP laid the foundation for the future development of the socialist economy by combining a massive state presence with market mechanisms and institutions. As is well known, many of these were dismantled during the second episode of crisis socialism, Stalin's "Great Break." Less well known is the extent to which market mechanisms were restored within the socialist economy during the subsequent normalization phase. In the supply sector, for example, the mercantile exchanges and fairs of the 1920s may have remained shut after their forcible closure in 1930–31, but the wholesale bases that eventually replaced them were intended to streamline the socialist market, not to suspend it. Moreover, as in the 1920s, formal wholesale institutions were supplemented by directly negotiated contracts between industrial marketing agencies, factories or farms, and the socialist trade networks. David Shearer has recently drawn attention to market practices in Soviet heavy industry, arguing that they undermined the regime's stated goal of constructing a planned economy. Their effect, Shearer maintains, was that "what emerged in the 1930s . . . was a command-administrative economy but not a planned one."¹³ No doubt this is partly a difference between the two sectors, but, in trade, market practices were not considered incompatible with the construction of socialism. Although here, too, the employment of traveling buying agents (a particularly common method of circumventing overly rigid supply structures) was repeatedly castigated by would-be rationalizers, the point remains that in 1935–38 and 1948–53, as in 1921–28, state and cooperative supplies were organized both in practice and in principle on the basis of buying, selling, and the discretion of the manager, not simply planned allocations of a fixed quota of goods.

Policy makers did not want to relinquish their control of prices, by contrast; on this question, Soviet socialism diverged sharply from market-economy norms. Even during the NEP, if the first step toward normalization involved stabilizing the currency, and hence freeing prices,

¹³ David Shearer, *Industry, State, and Society in Stalin's Russia, 1926–1934* (Ithaca, 1996), 236.

policy makers soon resumed their interventions into the prices of the “most important” categories of goods. These interventions fed into a vicious circle: the artificially depressed prices in the socialist sector created shortages, which, in turn, heightened demand for these goods in the private sector; private retailers responded by raising prices to equilibrate supply and demand. Goods were inevitably diverted from the regulated to the unregulated retailers, which only strengthened the Bolsheviks’ hostility to the market and led them to try once again to lower prices by decree.¹⁴ Their interventions became increasingly radical as shortages and dislocations intensified. The end point, crisis socialism, was neither a planned nor a desired outcome, yet economic officials followed a similar course of price regulation in the late 1930s, with a similar result, and they returned to it yet again in the postwar years.

So, to summarize: it is useful to think of the whole period from 1917 to 1953 in terms of a cyclical pattern of crisis and recovery, which was broken decisively only at the end of the period. This pattern provides the framework of this book, which uses the three protracted crises, sparked in turn by the revolution, Stalin’s “restructuring of the national economy,” and the war, and their aftermaths, to investigate the relationship between long-term agendas and short-term exigencies in the development of trade policy, and also between survival-threatening scarcity, shortages, and economic growth. With the exception of the revolutionary period, when their position had not fully coalesced, I argue that Soviet policy makers pursued their principled objectives in relation to supplies, wages and prices, trade cadres, and retail organization during the recovery phase of each economic cycle, and much less consistently during the crisis phase, when the perceived requirements of emergency management pushed less urgent priorities aside. In view of the contemporary expansion of chain stores, cooperatives, and department stores in the West, I also argue that several of the Soviet policies corresponded to modernizing trends in global retailing. They took advantage of economies of scale; in a market setting, with a different overall policy mix, they might even have laid the foundations for an effective system of socialist trade. That this did not occur by the end of Stalin’s life I attribute to the weaknesses of Soviet price policy, to the circumscribed role granted to private enterprise and the market, and, above all, to the pull of crisis methods of economic management at the first sign of dislocations in the market for foods and consumer staples. Soviet trade policy was on a hair trigger; the policy preferences of Lenin, and especially Stalin, drew on economic ra-

¹⁴ V. V. Novozhilov, “Nedostatok tovarov,” *Vestnik finansov*, no. 2 (February 1926): 75–96, remains the best analysis of this problem.

tionality, but their political culture was steeped in the mentality, privations, and struggles of the civil war.

BUYERS, SELLERS, AND THE SOCIAL HISTORY OF TRADE

Thus far I have presented this book as a study of large-scale structural developments in the political economy of communism. It is also a book about people, whose economic activities both shaped and reflected the evolution of the economy as a whole. The cyclical pattern of crisis and recovery had a profound impact on the daily lives of Soviet citizens, as did the changing structures of Soviet trade. A key argument here is that citizens were affected not just as buyers but also as sellers. Peasants, still 46 percent of the population in 1939, marketed their produce throughout the period of this study. In times of crisis they were joined by virtually all urban residents, who sold off surplus possessions, bought and resold scarce commodities, or hawked handicrafts at the bazaar to help cover the escalating cost of food. Extensive studies of household budgets carried out by the Central Statistical Administration (TsSU, TsUNKhU) make it possible to quantify the role of occasional sales in working-class, clerical, and managerial or technical household incomes on a year-to-year basis; in the most acute phases of economic crisis, up to 30 percent of these incomes derived from unofficial trade. What this means for the social history of the first half of the Soviet epoch is that the outdoor bazaars, where the bulk of occasional sales took place, preserved a face-to-face culture of exchange that was not unidirectional. Urbanites, as well as peasants, experienced trade from the vantage point of both the buyer and the seller. That high market food prices compelled townspeople to resort to petty trade prevented them from identifying with peasant food vendors, but by no means were all peasants in a position to profit from dearth, and the sheer universality of market vending in these periods made it a kind of cultural glue.

Participation in trade ebbed and flowed with the tide of economic crisis; as each crisis receded, wage earners and salary earners withdrew from the market, leaving in their wake a thinner stratum of artisanal vendors, hawkers, and professional traders. The New Economic Policy was, of course, distinctive in legalizing this last group, which, accordingly, remained much larger and more diverse in the 1920s than in the later two recovery phases. NEP-era traders also left traces in different parts of the Soviet archives: I was able to reconstruct NEP-era business histories from credit records for chapter 3, whereas the criminal justice

system yielded most of my information on individual traders after 1930.¹⁵ This is a fundamental difference between the NEP and the later period, and, in stressing continuities across the “Great Break,” I do not mean to minimize it. It is the continuities, however, that have not been properly appreciated in the historiography, and these existed even in that least likely of areas, professional private trade. An exploration of the ingredients of commercial success in the NEP context highlights many of the same kinds of businesses that persisted, admittedly in an altered, reduced, and often criminal guise, in subsequent decades. This is still more true of the ingredients of commercial failure: particularly in the Soviet Union’s provincial backwaters, impoverished NEP-era traders eked out a living in precisely the same economic niches and by dint of the same methods as impoverished informal traders would later use.

Poverty emerges rather sharply from this study as an important category of social analysis.¹⁶ I initially conceptualized the consumption side of the project through what I called a culture of shortages, the constellation of behavioral responses to shortages that acquired, or so I imagined, a degree of autonomy vis-à-vis the material conditions at their root.¹⁷ Although shortages did indeed dog the consumer economy throughout this thirty-five-year period, I now treat them as a historical problem rather than an explanatory mechanism. Shortages were the product of the planned disequilibrium between wages and prices, a nearly constant feature of the state’s economic policy, and also of the rhythms and incentives inherent in bureaucratized production.¹⁸ This raises interesting questions about Soviet economic priorities and policy formation, but it also underscores the extent to which poverty limited consumers’ options. Most households had an extremely narrow margin of discretionary income at their disposal. As a result, it was usually the lowest-grade, least-expensive goods that were in short supply, while more expensive goods languished on the shelf. Shortages exacerbated the distance between the better-off and the

¹⁵ An exception was 1945–48, when financial organs and inspectorates of trade and manufacturing cooperatives reported on private shops and cafes. See my article, “A Postwar Perestroika? Toward a History of Private Enterprise in the USSR,” *Slavic Review* 57, no. 3 (fall 1998): 516–42.

¹⁶ A study of poverty in the Brezhnev period by Mervyn Matthews, *Poverty in the Soviet Union* (Cambridge, 1986), is the only book-length treatment of this topic, though it figures in various social histories and sociologies as a minor theme. This is clearly a topic worth investigating further.

¹⁷ This was the theme of my doctoral dissertation, “Culture of Shortages: A Social History of Soviet Trade” (University of Chicago, 1996).

¹⁸ Kornai, in *Socialist System*, ascribes the greatest weight to bureaucratization in his explanation of shortages, though he also discusses them in connection with monetary policy as a measure of repressed inflation.

poor, since consumers with money could often simply pay a premium and avoid long hours in line.

As for culture, it is an aspect that is certainly difficult to discern in consumer behaviors during the crisis periods. Crisis modified patterns of consumption and consumers' methods of acquiring goods in a wholly predictable manner; Amartya Sen's description of crowd behaviors during one of India's periodic food crises could apply to any one of the Soviet crises, as could Pitirim Sorokin's observations about "hunger as a factor in human affairs."¹⁹ Hoarding and panic buying typified the first period of a crisis, before supplies had disappeared altogether; theft from shops, warehouses, and transportation mounted; free-market prices rose sharply; citizens in possession of desirable goods traveled to near or distant villages to exchange them for food; and starving villagers flooded the cities in hopes of finding relief there. Consumption of both foods and manufactured goods deteriorated both quantitatively and qualitatively. Finally, and I am able to demonstrate this with greater precision than I have encountered in any existing work on food crises and consumption habits in any national setting, citizens spent increasing amounts of their income in the remnants of the private sector (sometimes termed the *black market*) and spent increasing amounts of time both buying and selling goods. These adaptations involved very little that can be identified specifically with Russian culture or socialism. They did, however, shape crisis socialism as a constellation of policies by justifying its dual emphases: repression and bureaucratic control.

During the recovery periods the increased availability of goods in the shops and the concomitant drop in market prices boosted citizens' buying power. Aggregate demand accordingly widened and encompassed more diverse interests, as personal tastes entered into the calculations of consumers who were further and further down the income scale. Of course, the destruction of wealth that was a by-product of class warfare during the first two major crises militated against the diversification of consumption, and the liquidation of private shops played a role here as well. These obstacles notwithstanding, the later 1920s, the later 1930s, and the period after 1948 supported a lively trade in luxury goods and specialty items in both the private and socialized sectors. This is not to say that Soviet society became a consumer society; the preoccupations with marking status and expressing individuality through consumption choices, identified by several commentators as essential components of modern consumerism, remained restricted to a small minority of the

¹⁹ Cf. Amartya Sen, *Poverty and Famines* (Oxford, 1981), 55–57; Pitirim A. Sorokin, *Hunger as a Factor in Human Affairs*, trans. Elena P. Sorokin (Gainesville, 1975 [1922]).

buying public.²⁰ Still, in each of the recovery periods we can discern shifts in a consumerist direction. Perhaps most striking, the burden of shopping was lightened by newfound pleasures in shopping. Catering to the popular demand for recreation, outdoor markets offered a variety of amusements during the recovery periods; so, too, did the private shops, bars, and billiard rooms of 1921–30 and their less-familiar counterparts of 1945–48. Meanwhile, as of the early 1930s, the state tried to capture the luxury market by creating a pleasurable atmosphere in its new “premiere” shops and chains.

Rural consumers were left out of these developments, both for reasons of poverty and because of their limited access to goods. Each of the three crises caused a severe contraction of the retail infrastructure, and each time rural shops reopened last. The central government devoted attention to this problem in 1923, 1936–38, and 1949, but the recommendations and decrees that were issued in these years were backed neither by sufficient funding nor by a threat of enforcement. When push came to shove, rural interests were the first to be sacrificed in the drive for socialism. Even in the normalization periods, shops were fewer and more scantily stocked in rural areas than elsewhere, and their prices fixed at a substantially higher level. The trade networks exacerbated these problems by halting shipments to rural areas whenever goods became scarce. Disparities in access reinforced the effects of the state’s low procurement prices for agricultural products; while my research challenges an old view of the Stalin era as a period of increasing disparities between working-class and managerial incomes, it confirms the notion of a widening urban-rural gap.²¹

It will be apparent from this discussion that my “social history of trade” is not primarily a history of shop assistants. They do figure in this study; state and cooperative shops relied on a burgeoning class of clerical employees, whose wages, demographics, and workplace ethics elicited frequent interventions from above. The prewar Stalin period was the turning point: between the late 1920s and the early 1940s a new sectoral

²⁰ Status has figured particularly prominently in the work of sociologists, from Thorsten Veblen to the post-structuralists Jean Baudrillard and Pierre Bourdieu. Historians have been more successful at linking shifts in consumption with the imagination; see, for example, Colin Campbell, *The Romantic Ethic and the Spirit of Modern Consumerism* (New York, 1987); Rosalind H. Williams, *Dream Worlds* (Berkeley, 1982); and William Leach, *Land of Desire* (New York, 1993).

²¹ The old view, it should be noted, derived largely from qualitative description rather than quantitative analysis; cf. Leon Trotsky, *The Revolution Betrayed: What Is the Soviet Union and Where Is It Going?* (New York, 1937); and Vera S. Dunham, *In Stalin’s Time: Middle-class Values in Soviet Literature* (Durham, N.C., 1990), esp. 3–24.

hierarchy was consolidated, in which retailing and public catering came to anchor the bottom end of the wage scale. Demographically this coincided with the feminization of retail work, a shift actively encouraged by the productivist state.²² These are significant developments, whose ramifications for capitalist society have been explored by historians and sociologists of Western Europe and the United States.²³ The present work briefly discusses them in relation to the Soviet case, but I spend more time on the crystallization of a socialist retail culture from such contradictory pressures as communist moralism, the struggle against bureaucratism, material hardship among retail employees, and the endemic shortages of consumer goods. Ultimately the story of the feminization of the sales staff, a variation on a global theme, seemed to me less compelling than other stories more distinctive to the Soviet setting. For social history, these included citizens' changing relationship to the market as buyers and sellers, and the role of money (or poverty) as against access (or discrimination) in the social distribution of goods.

The last comprehensive histories of Soviet trade appeared in Russia in the 1960s; these were books written by trained economists G. L. Rubinshtein and G. A. Dikhtiar.²⁴ Dikhtiar's three-volume history exemplifies the best side of Soviet scholarship; the product of a life's work, it is exhaustively researched in both published and archival sources (Western scholars sometimes forget that access to the archives is new for us but not for the whole field), and Dikhtiar also strove to preserve a relatively objective tone. Even so, he remained tied to the Whiggish underpinnings of Soviet historiography, and his books are much richer in data than in historical interpretation. The present volume is intended to supersede his in some respects, notably by fleshing out the political and social aspects of trade; by integrating the private sector, particularly in its pre- and post-NEP, informal guise, into a global picture of the consumer economy; by exposing unflattering new consumption data; and by presenting

²² Amy E. Randall has studied the recruitment of women into the retail sector, adopted as policy in 1931; see her unpublished paper, "Women Workers and the Gendering of Soviet Trade," presented at the annual conference of the American Association for the Advancement of Slavic Studies in Denver, 2000. My decision not to emphasize shopclerks in this book was influenced by my awareness of Randall's research on this subject.

²³ For discussions of the feminization of retailing in, respectively, the United States, Britain, and Western Europe, see Susan Porter Benson, *Counter Cultures* (Urbana, 1986); Bill Lancaster, *The Department Store* (London, 1995), 171–94; James B. Jefferys and Derek Knee, *Retailing in Europe* (London, 1962), 19–21.

²⁴ G. L. Rubinshtein, *Razvitie vnutrennei torgovli v SSSR* (Leningrad, 1964); G. A. Dikhtiar, *Vnutrenniaia torgovlia v dorevoliutsionnoi Rossii*, *Sovetskaia torgovlia v period post-roeniia sotsializma*, and *Sovetskaia torgovlia v period sotsializma i razvernutogo stroitelstva kommunizma* (henceforth, *Torgovlia I–III*) (Moscow, 1960–65).

the economic establishment in a less sympathetic light. The idea of comprehensive coverage exerted a strong influence on my research and presentation of the subject, so that readers looking for answers to particular questions about trade policy, retail venues, or consumption at one or another moment might use this book as a reference. For more narrowly economic topics, such as trade finances or wholesale institutions, researchers will nonetheless still need to turn to Dikhtiar; yet other topics, such as the specificities of trade in particular republics, must await their own historian, as they figure no more than haphazardly in this or any other existing work.

Several authors have written on particular aspects of the consumer economy in recent years, but none has done more to bring it to the attention of the scholarly community than Elena Osokina, the author of two books and several articles on trade, distribution, and daily life in the period between 1927 and 1941.²⁵ The thrust of her interpretation is to emphasize what the Stalin regime (usually, in her most recent book, identified as the Politburo) *did* to society: it *created* food shortage through its disastrous agricultural policies and then *used* its monopoly on food supplies to *starve* peasants and to *control* everyone else. For Osokina, the centralized rationing system of the early 1930s epitomized Stalinism. Through it, the regime prioritized groups of consumers whose survival was most important to key industrial goals; it inscribed the population in a rigid hierarchy of consumption rights; and, finally, it policed those rights through extralegal repression. All these points are both important and relevant to the present study; in chapters 4 and 5, which treat the prewar Stalin period, readers will find many echoes of her ideas. In the end, though, I argue that Stalin's oft-stated preference for nonrationed "cultured Soviet trade" needs to be taken seriously. In terms of high-level trade policy, I thus portray the Stalin regime as much more concerned with modernization and economic growth than it appears to be in Osokina's writings. In addition, since my research covers a broader period, this study identifies longer-term changes and continuities between the epoch of the five-year plans and its successors and predecessors, including both war communism and the NEP.

²⁵ Elena A. Osokina's recent synthesis, *Za fasadom "stalinskogo izobil'ia."* *O zhizni liudei v usloviakh stalinskogo snabzheniia*. (Moscow, 1998), incorporates most of her previous findings. It is now available in English as *Our Daily Bread: Socialist Distribution and the Art of Survival in Stalin's Russia*, trans. Kate Transchel and Greta Bucher (Armonk, N.Y., 2000). Osokina's earlier works included *Ierarkhiia potrebleniia. Raspredelenie i rynok v snabzhenii naseleniia v gody industrializatsii, 1927–1941*. (Moscow, 1993); "Za zerkal'noi dver'iu Torgsina," *Otechestvennaia istoriia*, no. 2 (April 1995): 86–104; "Liudi i vlast' v usloviakh krizisa snabzheniia 1939–1941 gody," *Otechestvennaia istoriia*, no. 3 (May–June 1995): 16–32.

A final author who merits specific mention is the late V. P. Dmitrenko, the preeminent specialist on early Soviet trade. Dmitrenko's many works, published over a period of two decades, have influenced chapters 1 through 3 of this volume with their detailed reconstruction of policy formation.²⁶ Dmitrenko was a scholar of a certain generation; he insisted on a degree of ideological coherence in Lenin's policies that most contemporary historians would find implausible, overemphasized the "leading role of the Communist Party," and predictably downplayed the role of coercion in the revolutionary regime. But he was also a shrewd and extremely knowledgeable interpreter of Bolshevik politics, society, and economic development, and his work deserves to be more widely read.

The Bolsheviks' desire to construct an alternative to "bourgeois trade" and to market mechanisms led them into uncharted waters in global economic and social history. This book traces their course across three and a half decades with reference to three major themes. One is the invention and development of a socialist retail system, the subject of chapters 2, 4, 5, and 7. A second is the progressive constriction of private trade to bazaar and black market forms, treated in chapters 1, 3, and 6. The third theme, the evolution of consumer habits in connection with the structural transformation of trade, figures in parts of chapters throughout the book.

²⁶ V. P. Dmitrenko, "Nekotorye itogi obobshchestvleniia tovarooborota v 1917–1920 gg.," *Istoricheskie zapiski* 79 (1966): 225–42; idem, "Bor'ba Sovetskogo gosudarstva protiv chastnoi torgovli," in S. S. Khesin, ed., *Bor'ba za pobedu i ukreplenie sovetsskoi vlasti, 1917–1918* (Moscow, 1966); idem, *Sovetskaia ekonomicheskaia politika*; idem, *Torgovaia politika sovetsskogo gosudarstva posle perekhoda k NEPu, 1921–1924 gg.* (Moscow, 1971); V. P. Dmitrenko, L. F. Morozov, and V. I. Pogudin, *Partiia i kooperatsiia* (Moscow, 1978).