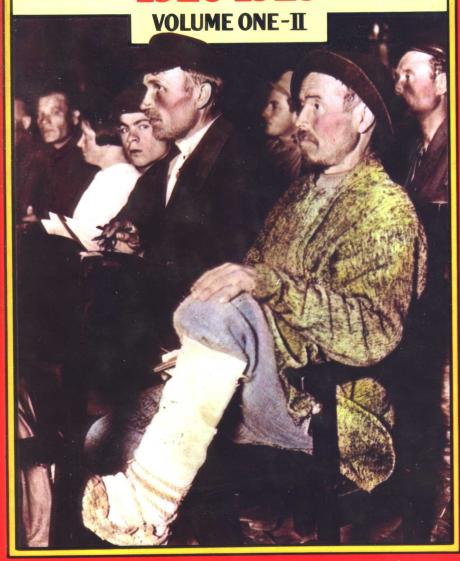
A HISTORY OF SOVIET RUSSIA 10

— E.H.CARR & R.W. DAVIES —

FOUNDATIONS OF A PLANNED ECONOMY —— 1926-1929——



FOUNDALIONS OF A PLANNED ECONOMY 1926-1929

BY
E. H. CARR
Fellow of Trinity College, Cambridge

AND

R. W. DAVIES

Director of the Centre for Russian and East European Studies

Vivos sny of Alfminguam

VOLUME ONE PART IL



© E. H. Carr and R. W. Davies 1969

All rights reserved. No part of this publication may be reproduced or transmitted, in any form or by any means, without permission

> First published 1969 Reprinted 1970, 1978

Published by
THE MACMILLAN PRESS LTD
London and Basingstoke
Associated companies in Delhi
Dublin Hong Kong Johannesburg Lagos
Melbourne New York Singapore Tokyo

Printed in Hong Kong by
CHINA TRANSLATION AND PRINTING SERVICES

British Library Cataloguing in Publication Data

Carr, Edward Hallett

Foundations of a planned economy, 1926–1929 Vol. 1. [Part] 2. — (Carr, Edward Hallett. History of Soviet Russia; 10)

- 1. Russia Social conditions 1917-
- I. Title II. Davies, Robert William 309.1'47'0842 HN523

ISBN 0-333-24571-7 ISBN 0-333-24216-5 Boxed set

A HISTORY OF

.USSIA

A HISTORY OF SOVIET RUSSIA

by E. H. Carr

in fourteen volumes

- 1. THE BOLSHEVIK REVOLUTION, Volume One
- 2. THE BOLSHEVIK REVOLUTION, Volume Two
- 3. THE BOLSHEVIK REVOLUTION, Volume Three
- 4. THE INTERREGNUM
- 5. SOCIALISM IN ONE COUNTRY, Volume One
- SOCIALISM IN ONE COUNTRY, Volume Two
- 7. SOCIALISM IN ONE COUNTRY, Volume Three, Part I
- 8. SOCIALISM IN ONE COUNTRY, Volume Three, Part II
- *FOUNDATIONS OF A PLANNED ECONOMY, Volume One, Part I
- 10. *FOUNDATIONS OF A PLANNED ECONOMY, Volume One, Part II
- 11. FOUNDATIONS OF A PLANNED ECONOMY, Volume Two
- 12. FOUNDATIONS OF A PLANNED ECONOMY, Volume Three, Part I
- FOUNDATIONS OF A PLANNED ECONOMY, Volume Three, Part II
- 14. FOUNDATIONS OF A PLANNED ECONOMY, Volume Three, Part III

*with R. W. Davies

TABLE OF APPROXIMATE EQUIVALENTS

- 1 arshin = 2 ft. 4 in.
- 1 chervonets (gold) (10 rubles) at par = 1.06 £ sterling (gold) or \$5.15 (gold).
- 1 desystin = 1.00 hectares = 2.70 acres.
- 1 hectare = 2.47 acres.
- 1 pud = 16.38 kilograms = 36.11 lb.
- I tsentner = 0.10 metric ton.1
- 1 vedro = 12.30 litres = 21.65 Imperial pints.
- 1 verst = 1.07 kilometres = 0.66 mile.
 - ¹ Metric tons are used throughout this volume.

C: Labour

CHAPTER 17

THE LABOUR FORCE

(a) Workers in Industry, Building and Transport

THE Soviet Union between 1926 and 1929 continued to present the seemingly paradoxical phenomenon of a simultaneous increase in the number of employed and of unemployed workers. While the number of employed persons in agriculture (not including, of course, the mass of peasants who were not wage-earners) remained stationary, the number of workers in census industry increased by 23 per cent, and the number of building workers more than doubled. The reservoir which fed this enlarged labour force was the surplus rural population. Russian industry had never entirely severed its links with the countryside; and the seasonal employment of peasants in the cities had been a familiar phenomenon before the revolution.² In the middle nineteen-twenties, when the pressure of an increasing population again began to be felt in the countryside, and opportunities of temporary employment in the cities, especially in the building industry, presented themselves on an expanding scale, the seasonal flow of peasants to the cities was resumed. This migration was initially and by intention seasonal: the migrant returned to help in the harvest, or when jobs fell off in the town.3 But the seasonal sometimes became permanent and statisticians

² For figures for 1906-1910 see G. von Mende, Studien zur Kolonisation in

der Sovetunion (1933), p. 42.

¹ See Table No. 21, p. 955 below; in Soviet terminology, "industry" means factory and workshop industry, and does not include building or transport.

³ For a detailed analysis of migration of this kind from the Kostroma province in 1926–1927 see Na Agrarnom Fronte, No. 6-7, 1928, pp. 133-143. At the fifteenth party congress in December 1927, 100,000 peasants from Kaluga province were said to have worked in the cities in the past summer, and to have brought back with them an average of 150-200 rubles each; the province of Tambov was so overpopulated that 500,000 peasants had to look for earnings from industry; from Ryazan 220,000 peasants had gone to Moscow, Leningrad and other cities for seasonal work (Pyatnadtsatyi S"exd VKP(B), ii (1962),

had difficulty in distinguishing between the two. A round number of a million peasants were said to have settled in the towns in the three years from 1923-1924 to 1925-1926.1 Thereafter, with the progressive increase in the tempo of industrialization, the tide became a flood. Permanent migrants from country to town numbered 945,000 in 1926, 1,062,000 in 1928 and 1,392,000 in 1929.2 Rural population continued to grow, and urban population, reinforced by the constant influx of labour from the countryside, grew still more rapidly.3 It was on any reckoning a major shift of population and a decisive factor in the process of industrialization. The compilers of the first five-year plan in 1928 assumed that the peak of the movement had been reached; in projecting an increase in the number of employed persons from 11.4 to 14.8 millions (basic variant) or 15.8 millions (optimum variant) during the currency of the plan, they observed that this represented an annual increment of 6 per cent as against an annual increment of 11-12 per cent for the past five years.4 From 1929 onwards, the reduced birth-rate of the years of war and revolution was expected to make itself felt in a reduced rate of expansion of the industrial labour force.⁵ In the event, the inexhaustible reserves of labour

¹ Kontrol'nye Tsifry Narodnogo Khozyaistva na 1926–1927 god (1926),

p. 280.

² Kontrol'nye Tsifry Narodnogo Khoxyaistva SSSR na 1928-1929 god (1929), p. 215; Sotsialisticheshoe Stroitel'stvo SSSR (1936), p. 545.

3 The following were the totals (in millions) of rural and urban population in this period:

	December 17, 1926	January 1, 1928	January 1, 1929
Urban	26.3	27.6	29.0
Rural	120.7	123.0	125.3
Tota	l 147·0	150-6	154.3

(Sdvigi v Sel'skom Khozyaistve SSSR (2nd ed., 1931), p. 9.)

^{1094, 1254, 1266).} Peasants were estimated to have earned 120-140 million rubles in industrial wages in the period from August to October 1926, and 300 millions in the same period of 1927 (Na Agrarnom Fronte, No. 4, 1928, p. iv). "Seasonal" work was legally defined as work limited by climatic or other conditions to not more than six months in the year (Sobranie Uzakonenii, 1926, No. 40, art. 290), "temporary" work as work for less than two months, or four months in case of temporary replacement of a permanent worker (Sobranie Uzakonenii, 1927, No. 9, art. 80).

⁴ Pyatiletnii Plan Narodno-Khozyaistvennogo Stroitel'stva SSSR (1929), i, 92-93; for more detailed figures see ibid. ii, ii, 165.

⁵ Kontrol'nve Tsifry po Trudu na 1928-29 god (1929), p. 14.

in the Russian countryside made this factor of little or no importance.

This was to a substantial extent a new labour force. The nucleus of industrial workers surviving from the period before the revolution had been decimated and dispersed in the civil war, and never fully reconstituted. Of miners employed in 1929 61.6 per cent, of metal workers 40 per cent, and of textile workers 26.1 per cent, were of peasant origin.2 The proportion of workers in industry who retained holdings of land showed a steady though unspectacular decline from 1905 to 1925, and then began to climb again with the fresh influx of workers from the countryside. Of workers entering the Donbass mines between 1926 and 1929 37.4 per cent still held land in 1929, of metal workers entering industry in Moscow and in the Ukraine in the same period 28.4 and 27.3 per cent respectively; percentages in other industries were lower.3 Of workers who were party members 10.7 per cent retained links with the countryside; the proportion was highest among building workers, lowest among skilled factory workers.4 But everywhere peasants and members of peasants' families formed an important element in the unskilled labour force in mines and factories and in the building industry. Of workers sent to permanent jobs by the labour exchanges of the RSFSR in 1926, 34 per cent came from the countryside.5 The influx of new recruits introduced a certain division between two categories of workers. An observer at one of the Yugostal works noted that, where one worker might be a genuine member of the "factory

¹ For the weakness of the proletariat in the early days of NEP see Socialism in One Country, 1924–1926, Vol. 1, pp. 100-103. Much information on the composition of the factory proletariat in Leningrad from 1921 to 1928 is collected in Istoriya SSSR, No. 5, 1959, pp. 33-38. The proportion of pre-1917 workers and their children was higher here than elsewhere; but here too the influence of "new workers" after 1925 was responsible for a decline in discipline.

² Sostav Fabrichno-Zavodskogo Proletariata SSSR (1930), pp. 10, 12, 14.

³ Ibid. pp. 20, 22, 42.

⁴ A. Bubnov, VKP(B) (1931), p. 618; Sotsial'nyi i Natsional'nyi Sostav VKP(B) (1928), p. 68. The proportion of worker party members holding land was about half that of non-party workers (Sostav Fabrichno-Zavodskogo Proletariata SSSR (1930), p. 102).

⁵ L. Rogachevskaya, *Iz Istorii Rabochego Klassa SSSR* (1959), p. 55; the percentage was unevenly distributed, rising to from 40 to 50 in provincial towns and falling to from 7 to 12 in Moscow and Leningrad.

proletariat", another might be a rural employer of hired labour who had moved to the town from the countryside. "Two such workers, though working side by side in the same enterprise, are surely bearers and representatives of two different social groups"; such conditions imported "an unhealthy attitude into the working class". Bukharin in a moment of frankness spoke of "a certain differentiation in the working class itself".²

The concomitant phenomenon of rising unemployment continued in an aggravated form throughout this period. The number of unemployed registered at the labour exchanges was recorded by Narkomtrud (in thousands) as follows:

	Total	Members of Trade Unions	Non-members of Trade Unions
1925–1926	1017:2	485.0	532
1926–1927 1927–1928	1241·5 1289·8	686∙6 866∙7	555 423 ³

These figures understated both the absolute number of unemployed and the rise in unemployment. The statistics of the labour exchanges were seriously incomplete; in some regions exchanges scarcely existed. From 1926–1927 onwards the registration of certain categories of unemployed, especially migrants from the countryside, was deliberately curtailed. In March 1927, in order to curb the peasant influx into the labour market, a decree was issued to restrict registration at labour exchanges to "real unemployed", defined as those who could prove previous employment for a certain length of time, together with children of workers and employees. Of registered unemployed rather less than one-

¹ Puti Industrializatsii, No. 7, 1929, p. 16.

² VIII Vsesoyuznyi S''ezd VLKSM (1928), p. 37; Bukharin had admitted to a German workers' delegation in August 1926 that "only in the abstract is the proletariat unitary, in reality it is not" (Bukharins Antwort an Soxialdemokratische Arbeiter (1926), p. 21; the interview was briefly reported in Pravda, August 12, 1926). For an earlier comment by Bukharin on the "proletarianized peasant mass" see Socialism in One Country, 1924-1926, Vol. 1, p. 411.

³ Kontrol'nye Tsifry Narodnogo Khozyaistva SSSR na 1928-1929 god (1929),

⁴ Sobranie Zakonov, 1927, No. 13, art. 132. According to Ekonomicheskoe Obosrenie, No. 9, 1929, p. 131, the effect of the decree was "to divide the unemployed into two groups"—those who had lost their jobs, including seasonal workers, and those who had never had jobs. The proportion of

third had never had paid employment. Alternative figures prepared by the trade unions of unemployed members of trade unions were always higher than the Narkomtrud figures for the total number of unemployed, showing for example 1,667,000 unemployed members of trade unions on January 1, 1927. The percentages of unemployment among trade union members at this date were highest for workers in water transport (44 per cent), builders (37.9 per cent), sugar workers (32.4 per cent), agricultural and timber workers (27.1 per cent) and food workers (25.7 per cent); all these were to a greater or less extent seasonal occupations. On the other hand, only 9.4 per cent of metal workers were unemployed, only 6.7 per cent of miners and only 5.7 per cent of textile workers. The over-all proportion of all trade union members unemployed was 17.3 per cent.2 But no figures fully reflected the number of aspirants to a place on the labour market recently arrived from the countryside. Tomsky spoke at the fifteenth party conference of October 1926 of "hundreds of thousands" of peasants attracted to the towns for the brief building season, and registered there as unemployed for the rest of the year; 3 and in the same month the trade union central council issued an instruction to admit to trade union membership only those who had already worked for wages.4 A disquieting feature was the particularly heavy incidence of unemployment in the younger age-groups; in 1928 43.6 per cent of all registered

migrants from the countryside in the total number of registered unemployed was said to have declined from 13.7 per cent in 1925-1926 to 10 per cent in 1927-1928 (Kontrol'nye Tsifry Narodnogo Khozyaistva SSSR na 1928-1929 god (1929), p. 156); for earlier variations in the policy of registration see Socialism in One Country, 1924-1926, Vol. 1, p. 364.

¹ Obzor Deyatel'nosti NKT SSSR za 1927-1928 gg. (1928), p. 59; this proportion seems to have remained fairly constant throughout the period. The statement in Sed'moi S''ezd Professional'nykh Soyuzov SSSR (1927), p. 348, that 50 per cent of those registered had never worked for wages was a typical

exaggeration.

³ XV Konferentsiya V sesoyuxnoi Kommunisticheskoi Partii (B) (1927), p. 287.

4 Trud, October 26, 1926.

² Article by Tomsky in *Pravda*, November 29, 1927, *Diskussionnyi Listok*, No. 8; these figures should be compared with much lower figures of unemployment given by Tomsky a year earlier to the fifteenth party conference—17 per cent for builders, 15 per cent for agricultural workers, less than 5 per cent for the major unions (*XV Konferentsiya Vsesoyuznoi Kommunisticheskoi Partii* (B) (1927), p. 288). The opposition counter-theses of November 1927 (see p. 34 above) put the total of unemployed at 2,000,000.

unemployed were said to be between the ages of 18 and 24, and 30.8 per cent between 24 and 29.¹ The paradox underlying this situation was frequently remarked:

Among the unemployed a very significant place is occupied by young physically capable workers, whereas a significant place among the employed is taken by older workers.²

Unemployment became during this period an increasingly acute preoccupation of the authorities. Pyatakov at the session of the party central committee in July 1926 called unemployment "the index of an absence of equilibrium in the whole national economy", and declared that it refuted the claim that the economy was advancing "without crises".3 In the next eighteen months the opposition continually harped on this theme. Smilga wrote that unemployment was a dangerous phenomenon, since "the discontent of the unemployed links the discontent of the countryside with the discontent of the town ".4 A resolution adopted by the presidium of the trade union central council after a long discussion on September 29, 1926, was little more than a confession of helplessness.5 Tomsky, at the fifteenth party conference of October 1926 emphatically attributed unemployment to two causes - rural over-population and the seasonal character of casual labour in the towns. In England, he remarked, the builder worked all the year round, in the Soviet Union only in the summer months.6 In the Russian countryside in winter, he added a few weeks later at the seventh trade union congress, "tens of millions of people suffer from unemployment"; when the summer work was done, "they lie down on the stove, and go on lying". It would be dangerous to call this "rural unemployment".7 Strumi-

¹ Vos'moi S"ezd Professional'nykh Soyuzov SSSR (1929), p. 323.

² Ekonomicheskoe Obozrenie, No. 9, 1929, p. 136.

³ Bol'shevik, No. 14, July 31, 1927, p. 27.

^{*} Trotsky archives, T 1744.

⁵ Trud, September 30, 1926; for the text of the resolution see ibid. October 7, 1926.

⁶ XV Konferentsiya Vsesoyuxnoi Kommunisticheskoi Partii (B) (1927), p. 287.

⁷ Sed'moi S''ezd Professional'nykh Soyuzov SSSR (1927), p. 232; Lenin, in one of his early writings, referred to "the winter unemployment of our peasantry", and derived it "not so much from capitalism as from an insufficient development of capitalism, i.e. from a backward economy, which is unable to provide alternative employment" (Sochineniya, iii, 247).

lin once remarked that the only thing which distinguished an unemployed worker from a poor peasant was that the latter was not registered at a labour exchange and had a tiny plot of land. It was above all the poor peasants who constituted the reserve army of labour. This diagnosis led the trade unions to concentrate almost exclusively on unemployment in heavy industry, mining and other industries where the old trade union tradition was strong, and where employment was regular; unemployment elsewhere was a casual and seasonal phenomenon, not curable in current conditions.2 Bukharin, whose view was more humane, though perhaps less practical, than the professional attitude of the trade unions, spoke in January 1927 of "the army of the unemployed", and refused to forget "that we have an immense mass of unemployed, that many workers have no roof over their heads"; 3 and Kirov called unemployment a "huge ulcer on our economic organism".4 "We must not", wrote a commentator at this time, "be in a hurry to drive from the countryside those whom we cannot place in our factories".5 A decree of June 29, 1927, attempted to set up machinery to regulate the flow of peasants to the towns as seasonal workers, and to provide information on the state of the labour market.6 A foreign visitor at this time witnessed disturbances at the Ryazan railway station when the police tried to send back to the country "rural elements arriving in a vain search for work in Moscow".7

But, whatever attempts were made to explain away the phenomenon of mass unemployment, and to depreciate its economic importance, the existence of large-scale unemployment even among industrial workers could not be denied or ignored. Of methods to mitigate the evil, the first to be tried was public works, mainly building, which could readily absorb unskilled workers. But this demanded too much capital outlay and was gradually abandoned. More popular were "collectives" of unemployed

1 Planovoe Khozyaistvo, No. 8, 1929, p. 56.

⁵ Na Agrarnom Fronte, No. 11-12, 1926, p. 146.

6 Sobranie Zakonov, 1927, No. 41, art. 410.

A. Ciliga, Au Pays du Grand Mensonge (1938), p. 35.

² For earlier trade union attitudes to unemployment see Socialism in One Country, 1924-1926, Vol. 1, pp. 365-367.

³ For this speech see pp. 12-13 above.

⁴ Pravda, January 29, 1927.

⁸ Kontrol'nye Tsifry po Trudu na 1928-29 god (1929), p. 20; Larin, a notorious eccentric, had proposed at the fourth Union Congress of Soviets in

workers; these included producer, trading and labour collectives, the first two consisting of artisans engaged in the manufacture and distribution of simple articles produced either for other industries or for the market, the third of gangs of unskilled workers organized as artels for collective employment. Over 130,000 unemployed found work in this way in 1928. Direct relief in the form of free food and lodging was attempted only on a very limited scale, and soon abandoned to local authorities or voluntary organizations. The social insurance fund covered only a small proportion of the unemployed, and at inadequate rates.

These were at best only mitigating devices. The essential, though remote, aim was to restore the unemployed to regular employment through the processes of the "labour market"—a term still in current use at this time. The labour exchanges remained the main governmental agencies for dealing with unemployment. After 1923 the industrial managers had broken through the legal monopoly of the engagement of labour enjoyed by the exchanges under the labour code of 1922; and it was formally abandoned in January 1925.4 But this change, which conferred on managers an unrestricted legal right to hire and fire, had always been resisted by the trade unions. Now that the principle of planning had been introduced into the economy, a new argument was provided for the use of the exchanges, which were government agencies, to control and direct labour. The Ukrainian party conference of October 1926 blamed the trade unions for tolerating the habit of engaging workers " at the factory gates " a practice which "makes impossible the regulation of the urban labour market"; 5 and the fifteenth party conference which im-

April 1927 a scheme of public works to employ a million unskilled workers (SSSR: 4 S"ezd Sovetov (1927), p. 372).

¹ See Obzor Deyatel'nosti NKT SSSR za 1927-1928 gg. (1928), pp. 63-67, for an account of these collectives. Building workers on large sites were commonly engaged not as individuals, but in artels, some of which constituted small religious communities (commonly Baptists); Dnieprostroi claimed to be the first large building site on which the artel system was broken down (Arzhanov and Mikhalevich, Dneprostroi k XVI S'ezdu VKP(B) (1930), pp. 38-41; I. Nekrasova, Leninskii Plan Elektrifikatsii (1960), p. 103).

² Obzor Deyatel nosti NKT SSSR za 1927-1928 gg. (1928), p. 69.

³ See p. 606 below. ⁴ See The Interregnum, 1923-1924, pp. 63-64.

⁵ Kommunisticheskaya Partiya Ukrainy v Rezolyutsiyakh (1958), p. 366; at the ensuing Ukrainian trade union congress a delegate accused the economic organs of engaging labour direct "from the village", and alleged that in Soviet

mediately followed it condemned "patronage and nepotism (kumovstvo)" in the engagement and dismissal of workers. At the seventh trade union congress, Shmidt, the People's Commissar for Labour, dropped the demand for a legal obligation to engage labour through the exchanges, but proposed that the collective agreements should contain a clause binding economic organs to engage 90 per cent of their labour in that way. Though Shmidt invoked the need to impart "a planned character" to the hiring of labour, the principal motive appeared to be to protect members of trade unions; he spoke indignantly of cases in which factories had dismissed 1500 or 2000 workers, and replaced them a week later by new arrivals from the country.2 The resolution passed by the congress, which went further than Shmidt's proposals, required that "all enterprises and institutions" should submit their labour requirements in good time to the local labour exchange, and that " all operations for the hiring of the labour force should be concentrated exclusively on the labour exchanges".3

Two powerful forces thus worked together to re-establish the labour exchanges as effective organs. The trade unions saw in them agencies which would make it possible to secure for their members a monopoly, or at any rate priority, in the filling of vacancies, and to exclude the mass of new migrants from the countryside. The planners saw in them convenient and necessary instruments for the control and direction of labour to meet the requirements of a planned economy. The short-lived experiment in a quasi-free labour market which had been tried between 1924–1926 had broken down. After 1926 the labour exchanges partially recovered their importance as central agencies for the hiring of labour. According to figures given by Shmidt at the end of 1927, the proportion of workers engaged through labour exchanges in

trading organs "patronage has in many places built a secure nest for itself" (Stenograficheskii Otchet 3° Vseukrainskogo S"ezda Profsoyuzov (1927), pp. 257-258).

1 KPSS v Rezolyutsiyakh (1954), ii, 324.

² Sed'moi S''exd Professional'nykh Soyuxov SSSR (1927), p. 350. A delegate of Vserabotzemles described the way in which economic organs in the Ural region obtained seasonal labour for forestry and building; private agents were employed who were paid 50 kopeks for every man recruited; the workers were despatched in dirty and unheated railway wagons (ibid. p. 416). According to a writer in Trud, December 1, 1926, managers preferred to employ peasants who "are less demanding than urban workers and have greater physical endurance".

³ Sed'moi S''exd Professional'nykh Soyuxov SSSR (1927), p. 752.

the principal towns rose from 27.4 per cent in January-March 1926 to 70.6 per cent in April-June 1927; the proportion was naturally highest in Moscow and Leningrad. At the eighth trade union congress a year later, it was alleged that in many places factory workers were still "hired at the gates". Members of trade unions could not find employment, while non-unionists even "people of an alien stratum" - were engaged. The old complaint of bogus registrations of unemployed was again heard.2 But Dogadov, in his report on the work of the trade unions, claimed that, whereas two years earlier the economic organs had filled only 30-40 per cent of their labour requirements through the exchanges, the proportion had now increased to 70-80 per cent. A spokesman of Narkomtrud stated that the number of workers engaged through the labour exchanges rose from 2,000,000 in 1925-1926 to 3,600,000 in 1926-1927 and 5,000,000 in 1927-1928. Success was also claimed in organizing seasonal labour; in these two years the labour exchanges had been able to fill more than 95 per cent of vacancies notified to them in the building industry.3

The current pessimistic attitude to unemployment was based on the assumption that expansion of industry on a scale large enough to absorb the apparently unlimited surplus of labour was a utopian dream. "A considerable part of the peasants", Rykov observed at the fifteenth party conference in October 1926, "who find no employment for their labour in agriculture, can earn a living in the towns only if industry grows." A few weeks later the People's Commissar for Labour of the Ukrainian SSR told the third Ukrainian trade union congress that the thesis of the opposition that "the struggle against unemployment can be carried on through super-industrialization" was "unrealistic", and would merely lead to a "one-sided development of productive

¹ Prauda, November 17, 1927, Diskussionnyi Listok, No. 7.

² Vos'moi S"exd Professional nykh Soyuxov SSSR (1929), pp. 325-326, 340-341, 344.

³ Vos moi S''end Professional'nykh Soyunov SSSR (1929), pp. 66, 324-325; for the growing numbers of workers engaged through the labour exchanges see tables in Obsor Deyatel'nosti NKT SSSR na 1927-1928 gg. (1928), pp. 35, 37, and for a list of enterprises with which labour exchanges had entered into agreements for the supply of labour ibid. p. 36.

⁴ XV Konferentsiya Vsesoyuznoi Kommunisticheskoi Partii (B) (1927), p. 123.

forces". In April 1927 at the fourth Union Congress of Soviets Rykov declared that the million unemployed included only 200,000 industrial workers, and cautiously confined prospects of tull-employment to this select minority:

Unemployment of industrial workers is a temporary phenomenon, since in many regions the skilled labour force is even now insufficient. As industry expands (and our prospects in this direction are not bad), unemployment in these groups will be overcome.²

The resolution of the congress, however, only repeated the familiar panaceas — intensification of agriculture and development of rural industries, migration and public works.³ When Kuibyshev addressed the TsIK of the USSR six months later, he explained that, under the optimum variant of the draft five-year plan, unemployment could be expected to fall from 1,268,000 in 1926—1927 to 848,000 in 1931–1932. But this most active protagonist of planning and industrialization held out no prospect of a total cure: "unemployment will not be overcome in this five-year period even on the most favourable programme of development of the national economy".⁴

Such prominent features of the early stages of the industrialization drive as the "régime of economy" and "rationalization" campaigns 5 tended on a short view to swell the ranks of the unemployed. Trotsky, in his abortive proposals to the party central committee in July 1926, called for a commission to safeguard "the vital interests of the workers" under the régime of economy, and invited STO to draw up plans to deal with unemployment.6

¹ Stenograficheskii Otchet 3° Vseukrainskogo S"ezda Profsoyuzov (1927), p. 257; the verdict was endorsed by critical observers abroad: "To dream of absorbing this gigantic human flood in industry and other urban occupations is completely out of the question" (Sotsialisticheskii Vestnik (Berlin), No. 24 (142), December 20, 1926, p. 6).

² SSSR: 4 S"ezd Sovetov (1927), p. 213.

³ S"ezdy Sovetov v Dokumentakh, iii (1960), 125.

^{4 2} Sessiya Tsentral'nogo Ispolnitel'nogo Komiteta Soyuza SSR 4 Sozyva (n.d. [1927]), p. 264; this gloomy forecast was repeated by Rykov at the fifteenth party congress two months later (Pyatnadtsatyi S''ezd VKP(B), ii (1962), 874).

5 For these campaigns see pp. 334-337, 340-344 above.

⁶ Trotsky archives, T 887; owing to the regime of economy, the industrial labour force declined slightly between March and September 1926, but thereafter rose again steadily (SSSR: Ot S"ezda k S"ezdu (Mai 1925 g.-Aprel' 1927 g.) (1927), p. 30).