A British engineer who has visited Moscow explains the significance of Stalin's new policy. He argues that the Five-Year Plan is already an agricultural success but that it must be saved from becoming an industrial failure.

## Why Stalin SHIFTED

By J. Parnell Mandeville

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A GREAT DEAL has been written lately about the recent changes of policy of the Soviet Government, but unfortunately the writers seem to have been trying to twist the news either to prove that the Five-Year Plan is a dismal failure or to make out that there has been no change of policy at all. For the intelligent observer this is annoying, because it is clearly important that both the successes and failures of this immense experiment should be accurately reported.

On reading the complete report of Stalin's speech that was published in *Izvestia* of July 5, I feel that a very important aspect of these changes of policy has been completely overlooked. It is true that the changes have been forced upon the Government in part by the failure of the in-

dustrial programme, but what is so important is that the main changes have been precipitated by the success of the collective-farming movement. It is this side of the question that now deserves attention.

To obtain perspective it is necessary to go back to a time when even members of the Communist Party thought the collective farms would be a failure. Early in 1929 Bukharin told the party that the collective farms could only be expected to supply the grain necessary for the country in from five to ten years; in October of that year only 8.8 per cent of the peasant households were in the collectives. In March 1930 Stalin issued a protest against forcing peasants into collectives, and at once there was a great cry throughout our press that the peasant policy had failed and the collectives were a failure. But when we come on to 1931 we find that the percentage of peasants in collectives had risen sharply to 35 per cent by March 1, and from that date onward peasants were entering the collectives at the rate of 1,000,000 households every twenty days, until in June 1931 we were confronted with the astounding figure of a 54 per cent collectivization.

This means that there are now over 13,000,000 peasant households in these farms, or rather more than the total of village households in Germany and

France put together.

What is the reason for this? It is to be found in the simple fact that peasants working large areas of pooled land with tractors can make much bigger profits than the individualist ever dreamed of. On an average the poor peasant doubled his income by joining a collective. No wonder there was a rush to join when the spring results showed this increase of income.

The change in the condition of the poor peasant has created an entirely new situation, and Stalin in his speech started off with this point: 'The conditions of the growth of our industry have changed in their very roots and have created a new setting that demands a new conception of management. . . . You will remember the old formula: "The flight of the peasant from the country into the town." What compelled the peasant to leave the country? Fear of hunger and of being out of work. The country was to the peasant a stepmother from whom he was ready to run away, it mattered not into what hell, provided he could get work.' The picture has now completely changed: there is neither unemployment nor starvation in the country.

The town workers have been in the past mobilized in groups and sent into the country to help the collectives, and one may read between the lines of Stalin's speech not only that the peasants have ceased to flow into the towns, but that the workers have begun to flow back to the country. Naturally enough these workers, who are in many cases really peasants, would prefer to stay in the country. They would also write and tell their friends how fine country life was—no rationing to speak of, plenty of butter and eggs, and so on—and soon there would be a steady trickle out of the factories and the mines back to the country, where the collectives, ever anxious to enlarge themselves, would absorb these workers permanently. This is corroborated by the cure that Stalin proposes: 'There is one way out of this, and that is for our managers of organizations to make agreements with the collectives.' Presumably the collectives will now be required to furnish so many lambs for the industrial slaughter.

HE various changes of management, suggested by Stalin, centre round the task of raising the town level of living up to that of the country and thus stopping this flow. In the first place, much of the drudgery must be eliminated by mechanization, and, in the second place, the worker must be given more prospect of advancement. He describes the present condition of the unskilled worker who, in view of his having no prospect of advancement, feels himself to be merely a temporary inhabitant of industry, works only until he has a little surplus, and then goes off to

some other place 'to try his luck.' Arising out of this,' he says, 'there is a general movement from one factory to another, a fluidity of working strength.' So he insists:—

We must give a stimulus to the unskilled worker to become skilled . . . and the more courageous we are in setting out on this policy, the sooner we shall get over the problem of the flow of labor out of our industries. But that is not all. In order to attach the worker to his factory we must to the furthest possibility improve his supplies and living conditions. . . . One must understand that the present worker in the Soviet wishes to live assured of his material and cultural necessities, in particular of his food and lodging—he has this right and we are bound to guarantee him these conditions.

This, then, is the first motif of the speech: the town worker's lot must be improved, not because things are past bearing in the towns, but because of the great successes of the country. The second motif deals with industrial defects; they are interesting to consider but in no way justify the cry of a 'breakdown of the plan.' What is important is to realize that four-fifths of the inhabitants of the Soviet Union are agriculturists, and that the farming successes therefore far outweigh the industrial failures. And the fact that the tractor stations have already exceeded the Five-Year Plan and sown no less than nine times what they did in 1930 is much more significant than the comparative failure of the Stalingrad tractor factory.

HAVE indicated the part that the Soviet agricultural successes played in bringing about the new situation—the cessation of the flow of peasants into the towns. We must, if we are fair, admit that as far as agriculture

is concerned we in capitalist countries have misjudged the Soviet peasant policy. It is quite definitely successful. When we turn to the industrial side of the Five-Year Plan, however, we can congratulate ourselves on having prophesied nearly all the difficulties that Stalin mentions. Engineers know by bitter experience that it is one thing to start up a factory and get into production, but that it is quite another thing to produce at the costs allowed for. We were therefore justified in being somewhat skeptical about the costs of Soviet production. Stalin is forced to show up this very weakness. Various undertakings had been set the task of lowering their costs by 10 per cent or more, and yet they had actually raised them. Worse even than this, he had to tell the meeting: 'It is a fact that in a number of undertakings and controlling bodies they have long ago ceased to count, calculate, or make proper balances of income and expenditure. . . . The ideas of "a régime of economy," "the reduction of nonproductive expenditure," "the rationalization of industry" have gone out of fashion long ago. These undertakings are evidently depending on the probability that the State Bank "will have to give us the money we need.""

Such a simple method of avoiding the difficulties of cost reduction—by keeping no accounts—is typical of certain enthusiastic Communists. Lenin described them as trying to run their offices on the principles that had won them the civil war—by shouting 'loud hurrahs.' The 'loud hurrah' brigade have got to go and efficient managers take their place. Costs must be kept down.

The real difficulty is outside cost-

ing, and lies in the actual practical running of the works. One of the most delicate points of Stalin's speech was designed to open up the way to more efficient production by allowing undertakings to drop the famous non-stop week—a tricky matter, as the non-stop week was most highly prized by the theorists.

This non-stop week, or five-day week, had been introduced for two purposes; one was to break up the old associations of the day of rest with Sunday and churchgoing, and the other was to enable the machinery to be worked without stopping. The workers, already working in three shifts in most factories, were to have their days of rest in shifts. The machinery was to run continuously week in and week out, and, as the worker was to do four days on and one off, the units of time were to be 'five days,' 'decades,' and 'double decades.'

Theoretically this seemed quite a sound plan, but in practice it meant that no worker or set of shifts worked the same machines continuously. Therefore no one was responsible for the machines, and carelessness resulted for which it was almost impossible to locate the actual offenders. For this irresponsibility, this impersonalism, a special word has been invented, obezlichka, which conveys that the worker has no interest in the tools he uses, the machine he works, or the locomotive he drives. Stalin was very frank about this difficulty; he told the meeting brusquely:—

There is no doubt whatever that our economists know all about this. But they are silent! Why? Because they are afraid of the truth. Look you here! Since when have Bolsheviks become afraid of the truth? Is it not a fact that the non-stop week has led to the lack of per-

sonal interest in machines? Ask yourselves: Is this non-stop week really necessary? . . . Is n't it quite clear that the sooner we bury this 'paper' non-stop week the quicker we shall succeed in establishing real continuity of work? Some comrades think that obezlichka can be got rid of by incantations or by broadcasting speeches. They are greatly mistaken. . . . I think it would be very much better if, instead of making speeches, they went and lived for a month or so down the shafts or in the factories studying the details, the 'mere trifles' of the organization of labor. Then we might eliminate this obezlichka.

HE industrial programme of the Five-Year Plan is obviously not so easy to fulfill as the party thought it was. They were deceived very largely by the speed of erection of new buildings; this was quite amazing in some cases, as the American specialists are willing to admit. Wherever sheer hard work was sufficient, the shock-brigade system supplied the necessary fanatical zeal to break all records, and if the American normal day's work was twelve square metres of asphalt per head, the shock brigades were able to do forty square metres per head. As soon as the scene is changed to the use of expensive machinery, this very zeal for production leads to an unprecedented quantity of faulty work. As an engineer, the present writer cannot see that peasants will be able to grasp quickly what it means to work to fine limits, and mass production, unless it is accurately controlled by careful gauging of all the parts, will be a hopeless failure. The peasant, when his machine is carefully set up for him, can no doubt learn to produce his one part, but where are the inspectors to be drawn from in the quantity that they are called for by these great plants like the Stalingrad

factory? Suppose, however, that the system of training peasants for oneoperation jobs does succeed and that the mass-production factories complete their programmes, this can take place only by drawing the skilled workers out of the smaller engineering works to supervise the mass-production peasants. But it is in these very works, these small works, that the skill is required. The mechanic in such works has to work from a drawing, he has to be a craftsman, and the small works cannot replace him. Thus from an engineering point of view a very difficult situation arises owing to this rapid expansion of mass-production works.

It is this difficulty that led to the reforms Stalin outlined. The skilled non-party men must be advanced to the positions they deserve and the technical intelligentzia of the old régime must be won over with care and attention. He told his audience that it was quite wrong to look upon every engineer of the old school as 'an uncaught criminal.' 'Specialisteating,' he said, 'has always been considered by us as a harmful and dishonorable manifestation.' It was

only natural, he continued, that these engineers were in doubt as to the rightness of the Government's policy two years ago, but then even old Bolsheviks had swung away from the party during the grain crisis. Now things were entirely different. The Menshevik plot had been exposed, the disturbers who were spreading stories against the Soviet had been removed, and the grain position had so far righted itself that a record quantity had been exported. Naturally, the old engineers now knew the Soviet would succeed, and they must therefore be trusted to see on which side their bread would be buttered, when there was any butter.

Thus Stalin very dexterously opens the way for the concentration of every possible productive force in the Soviet upon the great problem of fulfilling the industrial programme of the Five-Year Plan. The changes of policy, therefore, in reality represent a great addition of strength, and, warned by the previous successful change of the agricultural policy, we dare not cry 'failure,' but rather must expect the amazing Bolshevik to extricate himself even from his industrial muddle.

Do not imagine that Germany is a nation of despair. Here is a patriotic essay worthy of the Hohenzollern period and proving that the Reich still lives.

## The Immortal REICH

By Josef Magnus Wehner

Translated from the Münchner Neueste Nachrichten
Munich Conservative Daily

IF WE DARE at this hour to invoke the name of the Reich we do so because we know that we are uttering a word that all real Germans understand. This word, which in times of good fortune is full of exultation, and in times of deepest need is brimming over with sorrow and hope, signifies a mute and ancient community feeling, just as the word 'God' does among true believers. We need only recall the high mysticism of the imperial Middle Ages to become profoundly convinced that God Himself came down to earth in this word, which served as a crown for rulers. Heaven and earth, might and inwardness all dwell in this word. It is the form that German belief assumes, a word of promise bequeathed to us Germans to the end of all time, regardless of whether it will once again fulfill itself or whether it will die out with the last German.

In recent years we have led a false

life. We have denied our destiny in a hundred petty ways. We have whirled round in circles, sometimes large, sometimes small, but in the past few weeks a creeping revolution has developed in our midst, sustained by the hounds of Western mammonism. This revolution has advanced directly toward us, increasing its pace as it draws closer. The men of the Reich have felt its approaching greatness and have even reveled in its hardness and strength. At this moment, the greatest we have experienced in many years, the Reich has again emerged clearly before our eyes. When the nations of the West shamelessly attacked our high estate the Chancellor of the Reich, the first real Reichskanzler since the War, uttered the necessary refusal. He spoke in the voice of a man of the Reich. His denial gave us freedom. He saved not only the Fatherland but the Reich.