3. The NEP Crisis and Suppressing of the Left Opposition

The Year 1925 and Crush of Soviet Industrial Planing

The Fourteenth Congress of VKS/b came to an end on New Year’s Eve 1925, without having discussed in detail how to overcome the ongoing NEP crisis. Factual solutions were sought only later, with the emphasis instead on making sure the opposition’s defeat was lasting. Proposed changes to the economic policy remained within the remit of a commission headed by Rykov, who regarded the crisis as the result of mistaken practical economic measures. He stressed the failure of foreign trade, for which revenues had come in approximately 600 million rubles lower than the estimate, a drop of one-third. In his mind, at moments like this the country was teetering on the edge of bankruptcy. Grain exports were reduced from 782 (originally 1000) million to 600 million puds, and a 200 million pud grain shortage—3.2 million tons—ensued. Industrial goods were lacking, their quality was poor, and selection was limited, prompting little interest among peasants in selling their excess grain.

The government was forced to scale back its original plans. Rykov insisted on rapid industrialization, but at a pace in keeping with the country’s capabilities. This scaling back was accompanied by reduced wages, lower social expenditures and less money spent on home construction. But Rykov defended the government against criticism over the delays in building up industry, stating his preference for developing sectors that would provide economic independence for the country, while hesitating to support an autarkic orientation. He believed that industrialization required expanding economic contact between the USSR and nations abroad, but that over the upcoming two to three years, there would be an inevitable slowdown in the industrial tempo.

The inconsistency in Rykov’s proposals stemmed from his wish to maintain the basis of the 1925 developmental strategy, which helped to keep agriculture from stagnating and peasant farmsteads from declining, but did not provide adequately for industrialization. Economic needs continued to be sacrificed as part of a political calculus designed to reinforce the power of Stalin’s circle in the

VKS/b leadership. Cities and villages thereby remained two relatively closed-off economic units. The vicious circle of the Soviet economy remained intact.

But this situation did not seem to be a key factor to Stalin and those who surrounded him. The turn towards more rapid industrialization on the political level had already been taken. The actual needs of the economy, whose mechanisms were fairly opaque to Stalin's circle, were thus emphasized only in proclamations. At the Fourteenth Congress, Stalin achieved victory in a rapid, surprise attack. But he likely doubted whether its impact would be lasting—many influential, intellectually capable people remained in opposition. Emphasizing industrialization seemed to draw Stalin closer to the opposition, but threatened him with discord from the party’s ‘right wing’, which had the sympathies of some governmental and economic actors.\(^5^8\) Stalin neither wished to step back from his fight with the opposition nor was he capable of doing so, whether that opposition be Trotsky or Zinoviev and Kamenev. The consequences of the battle could not be undone, and Stalin could do nothing but accommodate a compromise with the party’s right wing.

At the centre was not so much the attitude of Rykov and Trotsky, but rather that of Stalin himself. He prioritized power issues without full awareness of the severity of the economic and social problems that plagued the USSR. That his attitudes contributed to unifying the ‘left’ and ‘new’ opposition represented by Zinoviev and Kamenev trouble him little, because in the period immediately after the Fourteenth Congress of VKS/b, there seemed to be little resistance within the party to suppressing these two opposition currents and even less resistance from the public. The opposition attempted to challenge the influx of Stalin’s apparatchiks into the fundamental party organizations, but even here met their strong resistance.\(^5^9\) Opposition leaders including Trotsky soon began holding back from

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\(^{58}\) This situation thus led Trotsky to try ‘constructive’ criticism of Rykov’s propositions. He claimed the state of the industry did not allow elimination of the lack of industrial goods and thereby continued to endanger relationships with the peasantry. He reproached Rykov for assuming only the mobilisation of state funds and not private sector funds, whose significance he had clearly underestimated. There are two records of Trotsky’s presentation at the plenum of the Central Committee in December 1924 whose content differs: in Kommunisticheskaya oppozitsiya v SSSR, Volume 1, pp. 108–227, second in RGASPI (f. 17, op. 2, e.ch. 220), see: Nashe otechestvo: Opyt politicheskoy istorii, Kuleshov S. V. (eds). Volume 2, Moscow, Terra, 1991, pp. 220–222.

\(^{59}\) Thiese were the basic VKS/b organizations in the Communist Academy, the institution for ideological preparation of higher party cadres and two influential company organizations – the Aviapribor facility in Moscow and Krasnyi putilovec in Leningrad.
such challenges, relying upon preparations for the party congress, which was to take place in keeping with party statutes before the end of 1926.

The opposition also withdrew because of a warning, probably from Rykov, Tomsky, and Bukharin, that the opposition leaders risked losing their remaining party functions and perhaps being thrown out of the party. The three proposed conditions for an agreement with the opposition to the Politburo in 1926 that the opposition was willing to accept. They obligated it to defend its opinions within a framework designated by the politburo and to distance itself from those Comintern groups that supported it. See *Stenogrammy zasedanij politbyuro CK RKP/b-VKP/b, 1923–1938*. Ed. Anderson K. M. Moskva, ROSSPEN, 2007. Volume 2, I pp. 345–419.

The party’s right wing thereby clearly revealed it did not wish to remain in close quarters with Stalin and his apparatus. But the party congress which should have been organized at that time ended up being postponed for a year for no stated reason, freeing the party leadership from its obligation to open pre-congress discussions.

This ‘amusing’ game—with serious consequences for the country’s fate—came to an end with the Fifteenth Conference of VKS/b in October-November 1926. Stalin reported on the opposition, blaming Zinoviev and Kamenev for defecting to ‘Trotskyism.’ The conference was also significant on other points because it attempted to knock the wind out of the opposition’s sails by approving the economic policy shift towards rapid industrialization. Rykov’s proposals for the 1926–27 economic year were encouraging. The value of industrial production was to grow by 42% versus 1924–25, and the developmental pace of heavy industry was to overtake that of light industry. Rykov proposed 17–18% growth for 1926–27, one-fifth of the performance over the previous five-year period. In 1924–26, agricultural production was to increase by 23%, as were grain purchases, ensuring the growth essential for foreign trade revenues. The decision was made to start a number of large construction projects: Dnieper hydroelectric plants, agricultural equipment facilities in Rostov-on-Don, metallurgical works in Kerch and Krivy Rog, and a metallurgical facility on the border between the Urals and Kazakhstan. Significant funding began to flow in for other projects as well, particularly military production and aviation.

The political solutions proposed by Rykov nevertheless remained mostly ‘conservative’. On the one hand, the pace of industrial development had been

60 They obligated it to defend its opinions within a framework designated by the politburo and to distance itself from those Comintern groups that supported it. See *Stenogrammy zasedanij politbyuro CK RKP/b-VKP/b, 1923–1938*. Ed. Anderson K. M. Moskva, ROSSPEN, 2007. Volume 2, I pp. 345–419.

61 The conference did not replace the congress and its resolutions were subject to the approval of the Central Committee.

increased; on the other, a number of breaks to support the growth and modernization of midsize and large peasant farmsteads were left in place, and Rykov thought the peasantry was under adequate pressure to become self-sufficient. The opposition, by contrast, thought the crisis phenomena emanating from the industrial lag represented a pressing problem and believed the gap in living conditions between the great majority of people and the affluent was dangerous. In retrospect, the opposition was probably correct to emphasize the critical nature of the crisis. But it underestimated the consequences of post-revolution changes. There were no significant assets in the country that could be mobilized to meet the needs of industrialization. The threat posed by social upheavals could be mitigated temporarily by increasing the pace of growth in consumer-oriented production over the short-term, or purchasing industrial goods abroad. But both these ways out would lead to reduced investment in heavy industry and energy, and deepen the disparity between the levels of industry and agriculture.

**Tautening International Relations and the NEP Crisis**

In the earliest days of 1927, the existing matrix of social relationships was a minefield. But the regime’s crisis was set in motion not by internal factors. Rather it was the changes wrought in the USSR’s international position and in its relationships, which had been compromised by Stalin’s ham-fisted, expansionist foreign policy.

The actual starting point was a series of events in faraway China, where the USSR had tried to build a strong political position in the first part of 1920. The Kuomintang, China’s national revolutionary party, had beckoned the USSR to send political and military consultants to help create local governmental, political, and military structures. The Soviet leadership committed to providing arms for the Kuomintang and training its functionaries in Soviet schools. The plan was for the party to be able to control China over time and secure its independence from ‘imperialism’, meaning independence from England, the USA, France, and Japan. Plans also called for laying the basis for a new social system that would provide for the lower social strata, and the Soviet consultants held numerous political positions and other positions of power and had control over the actions of Kuomintang political and military leaders. But these plans were as grandiose as they were unreal.

Stalin and Bukharin insisted that the revolution taking place in China was not socialist but national and democratic, urging that Chinese Communists work not independently but as part of Kuomintang. The leading figures in the Soviet opposition did not share this outlook. They insisted that the Chinese
Communists maintain an independent organization. Stalin and Bukharin were probably closer to the truth about the nature of the revolution, though it was the opposition which was right in practical terms, because their stance allowed for the fact that the Chinese upper strata and the Communists could not share a single platform.

The opposition’s prognosis was confirmed when Kuomintang generals led by Chiang Kai-shek marched northward into the Yangtze River basin and took control of a number of important cities—Shanghai, Nanking, Wuchan—as well as a great portion of central China. Coming on industrial metropolises and trade centres where the left wing and the Communists played a leading role, they nevertheless focused their support on the upper and middle social strata, and they made contact with representatives of the Allied powers and their armed forces, particularly the Navy. Their decision was clear. They chose these social strata and the Allies over the left wing and the USSR, brutally suppressing their confederates on the left, who were caught off guard. The Soviet consultants were forced to exit China, and relationships between the USSR and the Kuomintang suffered greatly when an identical turn of events took place in Beijing, headquarters of the official Chinese government, and in territory controlled by various generals. The defeat hit Moscow even harder because it took place during Chiang Kai-shek’s march to the north, from which Stalin and Bukharin expected reinforcement of their ‘revolutionary alliance’ China, and exuberantly celebrated the success of the ‘Chinese revolution’. Now, instead of a friendly China, the USSR had to contend with an uncertain, restless border under pressure from China’s new rulers and later, from Japan, which wanted to usurp strategically important Manchuria.

To make matters worse, following on the heels of the defeat in China, the Soviet Union’s relations with Europe failed. Ties with Germany cooled, as Germany rectified its relationships with the Allies and entered the League of Nations, complicating the situation on the USSR’s Western border, where successor states to the czarist Empire felt no love for the USSR but considered it a threat to their existence. Relationships with England and France also mutated. From the time MacDonald’s government fell, the USSR had to confront the hard-edged politics of the English Conservatives. The Soviet leadership was unhappy about this reality, and seems to have hoped that the Conservative government would soon be replaced by Labour. For this reason, it attempted to build closer relationships with the Trades Union Congress (TUC) and thereby obtain an opportunity to influence British internal politics. In late spring of 1926, a general strike by British workers was to be used for this purpose. In the miners’ strike, the British government stood with employers; the Soviet Union supported the miners. The intention of the leadership was to destabilize England, something which became
apparent when it still supported the miners despite the attitude of the TUC, an approach which not only worsened relationships with the TUC, but brought the Soviets into conflict with the British government. It responded to this and to the Soviet role in China by cutting off diplomatic contact with the USSR. This in turn had a significant impact on the actions of the French government, which seized upon Soviet ambassador Christian Rakovsky’s signature of the opposition platform at home in the USSR as a reason to force the Soviets to remove him from his post.

The resulting international tensions led the Soviets to make a number of declarations that revealed the fear of war. Later work by historians frequently considered these declarations feints, made with the aim of rendering impossible any internal political dissension or discussion within Comintern. Although such a calculation on the part of the Soviet leadership cannot be denied, the danger of war was also seriously felt, at least originally. The leadership was confronted with a tense international situation whose consequences were difficult to precisely predict. Chicherin travelled to a number of European cities, determining, to his relief, that the reactions of the European powers did not entail any immediate threat of war or a ‘unified front by capitalist countries’. A significant fact is that years later, when the Soviet Union’s military budget had been reduced to a minimum, the Soviet leadership realized that should a war occurred, it would not have the means to protect its territory or its foreign policy interests.

The Soviet leadership quickly shook off its indecisiveness over the possibility that war would break out. It began to argue instead from the premise that the capitalist economy was rising dangerously enough that the USSR might be ‘eclipsed’ by the more developed countries. There were two facts of substance. First, the leadership realized the USSR could hardly continue to count on extensive aid in the form of loans, credits, concessions, and so on, from abroad as they drew up plans for the economy. Second, it was clear that fear of war not only impacted the leadership, it generated insecurity within the population, as

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65 RGASPI, f. 17, op. 2, d. 317 I, Ref. Chicherin and Bukharin at the meeting of the Central Committee of VKS/b 29.7.–9.8.9.8.1927.
well. This led to an extensive shopping spree that wiped out the consumer goods market, and peasants scaled back grain sales in autumn of 1927. Grain purchases remained well below planned levels, seriously endangering the supply for cities, a problem which could not be overcome using the ordinary means. In late 1927, the need to put pressure on kulaks was discussed in public not just by the opposition, but also by members of Stalin’s circle and even the ‘right-wing’ Bukharin. The basis of the NEP was in danger. In many provincial towns, supplies of goods were cut to a minimum, covering only what was needed for a few days. The social tensions were heightened by an influx of people into the city, and the government was forced to seriously consider purchasing grain abroad.

The Party and Opposition in 1927. The “Platform” of Opposition

But that was not the end of it. Starting in spring, internal political tensions grew, and the opposition, which the leadership might well have considered powerless only a short time before, was back. It pulled itself together with the defeat of the Soviet Union’s China policy and the dispute with England. In April 1927, Stalin managed to squelch discussion within the Plenum of the Central Committee of VKS/b, but he could not do the same within Comintern, where Trotsky took the podium to oppose the party leadership. The Comintern Executive did not side with his criticism of the Soviet leadership, but showed little enthusiasm to endorse the proposal that Trotsky be excluded from the Executive. Representatives of the opposition, though, agreed on joint action and signed ‘Declaration 83-ch’, reproaching the party leadership for not holding the 1926 conference and proposing that it be organized within three months, preceded by an open, comradely discussion. The signatories to the declaration requested that previously excluded members with an interest to do so be allowed to return to the party. The protests grew and the party leadership finally turned to the Central Control Commission to request that it condemned Trotsky, Zinoviev, and others for their behaviour. The Commission’s meeting was turbulent, the accusations


67 Pravda, 20.4.1928 (Kalinin M. I.). Purchasing grain abroad did not take place because the price—100 million rubles—would endanger future planned purchases.

against the opposition obscure, and there was evidence of haste. The end result was not an exclusion of the opposition leaders from the party, but rather an agreement that defined a framework in which the opposition could remain. The opposition thus left the discussion not as a defeated party, but rather as a participant in an unequal but still bilateral agreement. But tensions rose nevertheless when the opposition drew up and submitted its own platform for the upcoming party congress to the Central Committee Secretariat as pre-congress discussion material. It represented an open challenge to the party leadership, and the Secretariat promptly banned its publication or dissemination, inflaming what can only be called a new party crisis.

The content of this platform mandates greater discussion, because knowledge of what it said was severely hampered by the ban and by interpretations thought up during the Stalinist period. In retrospect, it seems a contradictory document compromised by a narrow concept of market relationships and their role in economic and social life in the country, and by the shallow concept of social differentiation and ‘class struggle’ typical of Bolshevism. Democracy is also conceptualized in a limited way, whether Soviet democracy or democracy within the party, because it was predicated upon the party clinging to its monopoly on power. Limitations also permeated the conceptualization of international relationships and foreign policy, set in place because of negative attitudes to institutions in ‘bourgeois society’, particularly the concepts of political democracy, political freedoms, and parliamentarism. Accompanying this was a negative attitude to moderate socialist and democratic parties, and to ideologies which did not share the social and political schemata of Bolshevism.

From our current-day vantage point, however, we cannot focus purely on the platform’s limits. These indeed mirror the limits of Bolshevism as it existed in that period. We need to examine the proposals made for resolving the issues of the time. In contradiction to the statements of both Stalin and Bukharin, the platform did not aim to terminate the NEP, even less to return to the era of war communism. Its concept of the NEP was in some respects much broader than that of the party leadership. On the one hand, it championed a number of limits in the private economy, but it also left market relationships in place as an important factor in Soviet economic life and as a way of involving the USSR in the international division of labour, something that would allow Soviet producers to produce at a level that allowed them to compete in the international marketplace.

The platform insisted that the industrial and energy sectors be developed first, since they formed the basis for the other economic sectors to which they would give rise. Above all, they would right the imbalance between industrial and agricultural production. It was this imbalance that was a fundamental reason for the crisis phenomena that plagued the Soviet economy. In particular, the platform expressly emphasized that development of the socialist establishment would only continue to make sense if it ensured a higher pace of production growth and a higher standard of living than was the case for capitalist countries. It spoke out against the autarky promoted by Stalin and Bukharin, proposing by contrast that the Soviet economy should be included in the international division of labour and thereby save investment costs, achieve high investment levels, and established an environment favourable for the economy’s competitiveness.

The platform envisioned that the pressing crisis in the Soviet economy could be resolved by developing the international trade relationships of the USSR and developing those sectors of the economy that would withstand international competition. It recommended a stopgap measure that would make possible the USSR’s involvement in the division of labour – a 150 million pud (2.4 million ton) loan of grain from affluent peasants to support the development of foreign trade. This loan is frequently noted in the literature. Its scope was based upon official Soviet statistics that estimated the unused stocks of grain held by peasants were at 800–900 million puds, about 8.9 million tons.70

A key point in the opposition platform centred on criticism of the party’s social policy. It charged that the existing implementation of the NEP allowed for the growth of affluent inhabitants, whose power and influence it somewhat overestimated and whom it therefore proposed to tax more to eliminate the advantages given in preceding years. A long-term solution it saw in building modern, state-owned farms equipped with machinery, tools, and agricultural and zoological know-how, and in state loans and the establishment of farming cooperatives. Unlike Stalin and his circle, the opposition did not recommend mass campaigns to force peasants to enter these cooperatives. A set of economic and social measures was proposed whose implementation would allow for a systematic increase in the standard of living for workers and poor village dwellers.

The opposition, of course, called for changes to more than just the economy and social relationships. It recommended radical democratization of the government and national politics, a reduction in the bureaucratic apparatus, an increased

level of professionalism, and electable executive bodies.\textsuperscript{71} It also stressed the right of republics within the union and national formations to resolve their own issues of substance within their own administrative territory. In its attitude to local nationalists and Russian chauvinists, the platform hearkened back to Lenin’s propositions of 1922. In international policy, it recommended the maintenance of peace and the expansion of positive relationships with countries abroad, focusing in particular on economic relationships with the developed countries. In making these recommendations, the opposition was aware of the current state of these relationships and of Soviet foreign policy as a whole, since many political experts with experience abroad who had been stripped of their ability to participate in internal political activity were members.

We are speaking here only of the platform’s basic content. We cannot claim with certainty what results might have ensued from implementing its proposals. The most substantial of them were those to do with involving the USSR’s economy in the international division of labour, something that Trotsky, as noted above, deemed possible only on the basis of market relationships. Implementing the opposition’s proposals thus depended not only on the direction Soviet politics was headed, but also upon the economic and trade policies of the developed European countries and of the United States. In banning the platform, the opportunity for the USSR to develop in line with its proposals was blocked. Instead, preference was given to future autarky and repressive forms of government.

Before the decision was made, though, the opposition had attempted to expand its base and gain more influence within the party and in society. It organized discussions in private venues and apartments. Contemporary reports say sometimes a hundred people or more took part, overflowing onto adjacent ramps and stairways. Trotsky, in his memoirs, says as many as twenty thousand people took part in these discussions in Moscow and Leningrad.\textsuperscript{72} Opposition leaders had likely recognized that in 1926, they had let themselves be boxed in as regards what was ‘legal’ within the party, and were forced into conflicts with the

\textsuperscript{71} V.P. Danilov, a significant Russian historian, notes on this issue: “Why do I think Trotsky was on a higher level than Bukharin and other leaders of that time? Because he fought for a democratic regime within the party…Today I conclude that the basic alternative to Stalinism had Trotsky’s name on it. Unfortunately, its fate had already been decided by late 1923…” see Davies R.- Danilov V., Dialog istorikov, in: Istorija SSSR 2/1990, p. 93.

\textsuperscript{72} Trotsky L. D., \textit{Moya zhizn’: Opyt avtobiografii}, tom 2, Moscow, Kniga, 1990. p. 277, identically Columbia University, Rare Book and Manuscript Library, RP-CPSU, box 6, unidentified, Memoir Pavlov pp. 100–147.
party leadership in which they could not gain any traction to defend themselves effectively. It was a mistake they did not wish to repeat. The opposition leaders could count on their influence in many Moscow and Leningrad organizations, and on the sympathies of some members of the intelligentsia and students. Their supporters were active in Ukraine, Tbilisi, the industrial centres of the Volga Basin, the Urals, and Siberia. They probably began to believe they had some chance of getting into the party congress, and they intensified their activity and encouraged supporters to march in independent formations with their own banners to celebrate the tenth anniversary of the revolution.

For its part, the party leadership realized any hesitation it showed in reacting to the opposition's moves would complicate the internal political and party situation. But it had both the security forces behind it and an organizational monopoly that allowed it to control the party apparatus and social organizations, as well as the mass media. It began to exert pressure starting in autumn of 1927. Stalin promoted a solution that would render it impossible for the opposition to express itself in public or to take part in the pre-congress discussions or the congress itself. In November 1927, Stalin excluded Trotsky and Zinoviev from the Central Committee. He also broke with the principle that the security forces (GPU) should not interfere in internal party matters. A leading voice on the Central Control Commission was openly unrepentant. Yemelyan Yaroslavsky said in Moscow, "They reproach us for using the GPU. Yes, we consider the GPU to be a tool of proletarian dictatorship."74

In December 1927, on the eve of the Fifteenth Party Congress, Zinoviev and Kamenev could no longer withstand Stalin's repressive moves and ceased participating in the opposition. 3258 other people did likewise. It was a demeaning capitulation, one which relieved them of neither guilt nor punishment. Zinoviev and Kamenev were sent into exile outside Moscow. Stalin permitted them to return after some time, but he placed them in subordinate posts where they frequently suffered bullying and humiliation.75 Initially, the members of the 'left opposition' and the 'Decists' were braver. Their leaders, including Trotsky, were deported to remote towns and locations inside the USSR. Rank-and-file

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73 In November 1927, Yemelyan Yaroslavsky spoke of opposition actions in Moscow, Leningrad, the Urals, Kharkov and in Ukraine (see Izvestiya, 27.11.1927). The foreign press, diplomatic correspondence and memoirs include a larger number of references to opposition activity.

74 Izvestija, 27.11.1927.

75 Yaroslavskiy, Yemelyan: Nikakich kompromisov, in: Pravda, 8.6.1927 Overall, 5755 persons were punished within the party.
members were imprisoned in camps from which they never returned. And over time, a large portion of the membership of the left opposition finally capitulated. Christian Rakovsky held out the longest, capitulating only in 1934 at the onset of the Great Purge. Trotsky was originally transported to Alma-Ata by the GPU and from there to Odessa in early 1929. There, with his wife and his older, stepson, Lev Sedov, he was forced on board the steamboat ‘Ilyich’ and transported to Turkey. With this, any alternative means of overcoming the crisis put forth by the ‘unified opposition’ died.