

The economy of russia before lenin



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Russia's Economy

Vladimir Lenin was a very important figure in the history of Russia's return from ruins. When Russia joined World War I under the rule of Tsar Nicholas II, Russia was very prosperous with a stable economy and it was one of the biggest players in the war. However, after being obliterated by German forces, Russia was in total chaos. The economy was severely crippled, and the citizens were furious. As a revolution came forth, the Bolshevik party chose Vladimir Lenin to be the new leader of Russia. Lenin's efforts would lead him to become the architect of the new Soviet Union which would then be passed on to Stalin, but not before Lenin has rebuilt the economy of Russia.

The Economy of Russia before Lenin

Russia's involvement in World War I set up the country for its future leader, Vladimir Lenin. The Soviet Union showed its presence in the war with its initial attack on East Prussia, which was held by the German Eight Army. At the start of the war, " Russia ... [had] the largest army in the world, standing at 1, 400, 000 soldiers" and was one of the superpowers of Europe at the time (" WWI"). Throughout the war, Russia continually suffered heavy losses and when the war was over " between 900, 000 and 2, 500, 000 Russians were killed... more than 5 million Russians were wounded... [and nearly] 4, 000, 000 Russian soldiers were held as POWs" (" WWI"). In addition to the losses, the economic losses were staggering and " Russia was on the verge of complete collapse" (" WWI"). Along with the wartime sacrifices " the war placed a great strain on the Russian government, [and reduced] the Russian people to near-famine conditions" (" Vladimir"). In the end, Russia was a

desperate and destroyed country left for Vladimir Lenin to bring back to its former power and strength which would prove to be a difficult task for him to accomplish.

During World War I, Russia's economy was in shambles and along with it, were the working conditions and the life of its lower class citizens. The backbone of Russia's economy was its working class and, with the war, the conditions that the people were forced to work in were difficult. This was due to the fact that there were no " regulations concerning pay, work hours, or safety conditions" which meant that workers were forced to accept a below satisfactory amount of money (Hackney). In addition to this, the workers had to work for as long as their employer told them to which they had to accept because of the low pays that they receive. Also, the lack of safety regulations made working conditions potentially dangerous because this meant that the employer did not have spend money on the safety of the facility. The lack of regulation proved to be a valid reason for the workers to revolt. Outside of the working environment, the conditions were not better. In the workers' own homes, they " found themselves living in cramped and unsanitary conditions" (Hackney). The lack of space and sanitation made it so the workers found no peace inside their homes, where they did not have room for themselves and also they could possibly get sick from the unpleasant conditions. In addition to this, there was " unreliable access to heat" for the people (Hackney). Russia is located in the north where the cold winters could easily be fatal. These appalling conditions both at home and at work, were the basis for the Russian Revolution.

Introduction of Lenin to the Russian Government

Russia's Revolution was a historical event that was responsible for the complete and total replacement of the Russian government. The revolution took place in two separate parts, with the first taking place in February of 1917. At this time WWI was still raging on and, because of the war, " food supplies were low, unemployment was high, and inflation was out of control" (Litwin). These wretched conditions led 385, 000 workers to strike in the city of Petrograd. Upset with the Tsar, " the workers, peasants, and soldiers rose up and demanded the redistribution of land", and soon the tsarist forces were overthrown on the 28th of February (Litwin). Immediately afterwards, the Provisional Government " which consisted of a coalition of conservative, moderate, and liberal socialists", or the Mensheviks, took charge of the now ungoverned Russia. Even with the new government, the problems the people faced still existed (Litwin). The Bolshevik party would soon come together to overthrow the Provisional Government.

The Bolshevik majority party was a prime opponent of the Menshevik minority party from the very beginning. The Bolshevik " were continually organizing workers, peasants, and soldiers" for a second revolution in which they planned to take over the Provisional Government and, in turn, put control of Russia in their own hands (Litwin). Meanwhile, the current leader Aleksandr Kerensky freed many Bolshevik people in order to defend the Provisional Government from attack. These people then gained support from the Russian people and were able win " a majority of the seats in the soviets in Petrograd, Moscow, and other cities" which gave the Bolshevik party a major advantage towards the success of the planned revolution (Litwin).

After the preparations were made, “ pro-Bolshevik soldiers, sailors, and Red Guards stormed the Winter Palace and arrested members of the Provisional Government” and took complete control of the Russian government (Litwin). Soon after the takeover, elections were held and a majority of the seats were given to the Bolshevik party and Lenin was made Chairman of the Council of People’s Commissars (Litwin).

Lenin’s Impact on the Economy

Once Lenin had been made leader of Russia, he began developing ideas that he felt would bring the economy back from its downfall. His ideas involved wartime communism for all of Russia. Under Lenin’s plan, the government took control of “ heavy industry, banking, and foreign trade” for the sake of the nation’s economy. Lenin’s idea was to use the industries to develop “ a modern and efficient economy of abundance” (“ Lenin’s”). In addition, the government took control of property owned by landowners and the states took over trade (“ Lenin’s”). These large exchanges of power began the change in the strength of Russia’s economy and it also laid down the foundation for Lenin’s New Economic Policy.

Lenin’s wartime communism did not give him the success he had envisioned, and he felt that it “ had been a mistake and not, as many had believed, a solution to the problem of a socialized economy” (“ Lenin’s”). After being disappointed, Lenin created what was called the New Economic Policy to bring the economy back to normal at a quicker pace. Under the NEP, the government “ stopped its policy of requisitioning the peasants’ entire crop” and allowed the peasants to make money for themselves by selling their crop on their own accord (Kreis). Another benefit that the NEP gave was that

farmers could sell their crops “ either privately or to the state” which allowed the farmers to gain profit from multiple sources to maximize their income (Kreis). This New Economic Policy gave the people permission in industry to help lift the economy out of its crisis and bring an end to its widespread poverty.

As Russia continues to work under the New Economic Policy, the changes in its economy are clear. This is shown by how in 1924 “ private business accounted for 40% of Russian domestic trade” which portrays the vast number of citizens that were allowed to establish their own business to make money (Kreis). In addition to private businesses, the overall economy was at “ an economic level approximately equal to that of 1913” (“ Lenin’s”). The increase in the strength of the economy was a huge improvement that brought it back up to a level before World War I had began. Outside of Russia, the New Economic Plan was described to be Russia’s return to normalcy after its great revolution (Kreis). The New Economic Plan proved to be a major success after the Bolshevik party’s economic experts “ learned to use fiscal policy, subsidies, wage and price controls, and foreign trade” to stabilize the economy and help the people come out of the nation’s dreadful state (“ Lenin’s”). In the end, The New Economic Policy proved to be a triumphant solution to Russia’s economic downfall.