

E-Learning Study Material  
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B.A. Economics Hons ~~III~~  
Third Year, Paper - Sixth

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Objectives of War Communism:  
in USSR —

“The economic crux of the system known as ‘War Communism’ accordingly consisted in the relationship with Peasant Agriculture. In the situation we have just describe it had become impossible for the Soviet Government to obtain the resources it needed through the normal processes of the market, even with extensive aid from the money-printing Press. It could obtain these resources only by measures ~~of~~ of coercion, and by centralised control and distribution of supplies. The surplus produce of each peasant farm, over and above essential needs of subsistence and seed-corn

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was subjected to compulsory requisitioning the ~~colleg~~ collection of this produce, and the allocation of it between the army and industry and the main distribution - points for workers' rations, being organised by the Commissariat of Supplies (Narcomprod). This centralised collection and distribution of Supplies was the keystone of the system. "

By — MAURICE DOBB

Book - Soviet Economic Development  
Since 1917

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Objectives of War Communism :-

The main objectives of War Communism was to eliminate money as a form of Exchange. The Bolsheviks wanted to go over to a system of a natural economy in which all transactions were carried out in kind. Bartering was swiftly introduced. The value of money dropped massively and in 1921 inflation

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had significantly increased. Most taxes were abolished and as a result, the government was not able to raise revenue. The only tax allowed was the Extraordinary Revolutionary Tax, which was an effort to ensure there was equality between the rich and poor.

In short, war Communism turned out to be a disaster. In all areas the economic strength of Russia fell below the level of 1914. Peasant farmers only grew crops for themselves, as they knew that any extra would be taken by the state. Therefore, the industrial cities were starved of food despite the introduction of rations. A bad harvest could be disastrous for the countryside and even worse for cities. Malnutrition was common, as was disease. Those in the cities believed that their only hope was to move out to the countryside and grow food for themselves.

In conclusion war Communism simply did not work. It centred on all industries being nationalised and saw the introduction of strict centralised management of state. Private enterprise being banned and military-style control of the railways was in practice.