

Cambridge University Press

052162178X - Modernising Lenin's Russia: Economic Reconstruction, Foreign Trade and the Railways

Anthony Heywood

Frontmatter

[More information](#)

MODERNISING LENIN'S RUSSIA

Economic Reconstruction, Foreign Trade and the Railways

In this book Anthony Heywood reassesses Bolshevik attitudes towards economic modernisation and foreign economic relations during the early Soviet period. Drawing on hitherto unused Russian and Western archives, he argues that railway modernisation was vital to a strategy of rapid economic modernisation, and that vast quantities of railway equipment were ordered abroad to hasten this process. Following the histories of the principal contracts, this book provides the first detailed case study of the Soviet government's imports policy under War Communism and the NEP, and shows how foreign trade was used to tackle domestic economic challenges. It presents readers with a new perspective on Soviet economic development, and reveals the scale of Bolshevik business dealings with the capitalist West immediately after the Revolution.

ANTHONY HEYWOOD is a Lecturer in the Department of European Studies at the University of Bradford.

Cambridge University Press

052162178X - Modernising Lenin's Russia: Economic Reconstruction, Foreign Trade
and the Railways

Anthony Heywood

Frontmatter

[More information](#)

MODERNISING LENIN'S RUSSIA

Cambridge Russian, Soviet and Post-Soviet Studies: 105

Editorial Board

Stephen White (*General editor*) Roy Allison Mary Buckley

Julian Cooper Paul Dukes Saul Estrin

Catherine Merridale Hilary Pilkington

Cambridge Russian, Soviet and Post-Soviet Studies, under the auspices of Cambridge University Press and the British Association for Slavonic and East European Studies (BASEES), promotes the publication of works presenting substantial and original research on the economics, politics, sociology and modern history of Russia, the Soviet Union and Eastern Europe.

A list of titles in this series can be found at the end of the book.

Cambridge University Press

052162178X - Modernising Lenin's Russia: Economic Reconstruction, Foreign Trade
and the Railways

Anthony Heywood

Frontmatter

[More information](#)

MODERNISING LENIN'S RUSSIA

Economic Reconstruction,
Foreign Trade and the Railways

ANTHONY HEYWOOD



CAMBRIDGE
UNIVERSITY PRESS

Cambridge University Press

052162178X - Modernising Lenin's Russia: Economic Reconstruction, Foreign Trade and the Railways

Anthony Heywood

Frontmatter

[More information](#)

PUBLISHED BY THE PRESS SYNDICATE OF THE UNIVERSITY OF CAMBRIDGE
The Pitt Building, Trumpington Street, Cambridge CB2 1RP, United Kingdom

CAMBRIDGE UNIVERSITY PRESS

The Edinburgh Building, Cambridge CB2 2RU, UK <http://www.cup.cam.ac.uk>

40 West 20th Street, New York, NY 10011-4211, USA <http://www.cup.org>

10 Stamford Road, Oakleigh, Melbourne 3166, Australia

© Anthony Heywood 1999

This book is in copyright. Subject to statutory exception and to the provisions of relevant collective licensing agreements, no reproduction of any part may take place without the written permission of Cambridge University Press.

First published 1999

Printed in the United Kingdom at the University Press, Cambridge

Typeset in Palatino 10/12½ pt [CE]

A catalogue record for this book is available from the British Library

Library of Congress cataloging in publication data

Heywood Anthony.

Modernising Lenin's Russia: economic reconstruction, foreign trade and the railways, 1917-1924 / Anthony Heywood.

p. cm. - (Cambridge Russian, Soviet and post-Soviet studies: 105)

Includes bibliographical references and index.

ISBN 0 521 62178 X (hc.)

1. Railroads - Soviet Union - History.

2. Railroads and state - Soviet Union.

3. Railroads - Soviet Union - Equipment and supplies.

4. Soviet Union - Economic policy.

5. Soviet Union - Economic conditions.

I. Title. II. Series.

HE3138.H48 1999

385'.0947 - dc21 98-38611 CIP

ISBN 0 521 62178 X hardback

Cambridge University Press

052162178X - Modernising Lenin's Russia: Economic Reconstruction, Foreign Trade
and the Railways

Anthony Heywood

Frontmatter

[More information](#)

To my parents, John and Pauline Heywood

Cambridge University Press

052162178X - Modernising Lenin's Russia: Economic Reconstruction, Foreign Trade
and the Railways

Anthony Heywood

Frontmatter

[More information](#)

Contents

<i>List of illustrations</i>	xi
<i>List of tables</i>	xiii
<i>Acknowledgements</i>	xiv
<i>Technical note</i>	xvi
<i>List of abbreviations and acronyms</i>	xvii
Introduction	1
PART I Towards economic reconstruction, 1917–1920 the birth of the railway imports policy	
1 Prologue	13
The pre-1914 context	13
Wartime imports	23
The Provisional government's largesse	36
2 The revolutionary railway vision	48
Economic crisis, railway dreams	49
The question of foreign resources	63
Decision: imports for railway-led reconstruction	72
PART II Trade and isolation, 1920–1921 implementing the railway imports policy	
3 Krasin's first results	85
The American dream	85
Success in Sweden	92
Administrative affairs	103
4 Approaches to Britain and Germany	110
The British connection	110
The road to Berlin	120
The German questions	126
	ix

Cambridge University Press

052162178X - Modernising Lenin's Russia: Economic Reconstruction, Foreign Trade
and the Railways

Anthony Heywood

Frontmatter

[More information](#)

x

Contents

5	Second thoughts	135
	Trotskii, railway reconstruction and imports planning	136
	Moscow and the Russian Railway Mission Abroad	145
	Locomotive swan song	151
PART III Retreat, 1921–1924		
6	The new order	163
	Change and continuity under the New Economic Policy	164
	Retrenchment	171
	Politics of scarcity: a conflict of interests	180
	Protectionism resurgent	184
7	Denouement	200
	The Avanesov commission	200
	Demise and results	205
	Epilogue: towards Stalinist industrialisation	220
	Conclusion	225
	<i>Notes</i>	235
	<i>Bibliography</i>	285
	<i>Index</i>	311

Cambridge University Press

052162178X - Modernising Lenin's Russia: Economic Reconstruction, Foreign Trade and the Railways

Anthony Heywood

Frontmatter

[More information](#)

Illustrations

Between pages 160–161

- 1 Class Ye 2–10–0 decapod, Canadian Locomotive Company, 1915. Courtesy of Queen's Archives, Kingston University
- 2 Belgian-built 'Flamme' locomotive in 'cemetery' condition, *circa* February 1920. Courtesy of G. V. Lomonosoff Collection, Leeds Russian Archive; copyright Mrs P. Browning
- 3 Iu. V. Lomonosov and R. N. Lomonosova. Courtesy of G. V. Lomonosoff Collection, Leeds Russian Archive; copyright Mrs P. Browning
- 4 On the Tallinn–Stockholm ferry, 23 July 1920. Courtesy of G. V. Lomonosoff Collection, Leeds Russian Archive; copyright Mrs P. Browning
- 5 The Nohab factory, Trollhättan, *circa* 1922. Courtesy of G. V. Lomonosoff Collection, Leeds Russian Archive; copyright Mrs P. Browning
- 6 M. Billing and colleagues at Nordiska Handelsbanken, *circa* 1921. Courtesy of G. V. Lomonosoff Collection, Leeds Russian Archive; copyright Mrs P. Browning
- 7 Iu. V. Lomonosov, G. W. Anderson et al., Trollhättan, August 1921. Courtesy of G. V. Lomonosoff Collection, Leeds Russian Archive; copyright Mrs P. Browning
- 8 The Russian Railway Mission: Lomonosov and colleagues, *circa* 1921. Courtesy of G. V. Lomonosoff Collection, Leeds Russian Archive; copyright Mrs P. Browning
- 9 The Railway Mission's second anniversary party, November 1922. Courtesy of G. V. Lomonosoff Collection, Leeds Russian Archive; copyright Mrs P. Browning
- 10 The Railway Mission at work, *circa* 1922. Courtesy of G. V. Lomonosoff Collection, Leeds Russian Archive; copyright Mrs P. Browning

Cambridge University Press

052162178X - Modernising Lenin's Russia: Economic Reconstruction, Foreign Trade and the Railways

Anthony Heywood

Frontmatter

[More information](#)xii **List of illustrations**

-
- 11 G. W. Anderson and Iu. V. Lomonosov. Courtesy of G. V. Lomonosoff Collection, Leeds Russian Archive; copyright Mrs P. Browning
 - 12 W. Hellberg. Courtesy of G. V. Lomonosoff Collection, Leeds Russian Archive; copyright Mrs P. Browning
 - 13 Otto Hagemann. Courtesy of Historisches Archiv Krupp, Essen
 - 14 V. N. Fren. Courtesy of G. V. Lomonosoff Collection, Leeds Russian Archive; copyright Mrs P. Browning
 - 15 A. I. Emsharov. Courtesy of N. A. Zenzinov
 - 16 The Railway Mission's Berlin premises, *circa* 1921. Courtesy of G. V. Lomonosoff Collection, Leeds Russian Archive; copyright Mrs P. Browning
 - 17 F. F. Perno. Courtesy of G. V. Lomonosoff Collection, Leeds Russian Archive; copyright Mrs P. Browning
 - 18 Academician A. N. Krylov. Courtesy of G. V. Lomonosoff Collection, Leeds Russian Archive; copyright Mrs P. Browning
 - 19 The steamship *Odin* in the Kiel canal, *circa* 1922. Courtesy of G. V. Lomonosoff Collection, Leeds Russian Archive; copyright Mrs P. Browning
 - 20 Nohab locomotives delayed at Trollhättan, 1922. Courtesy of G. V. Lomonosoff Collection, Leeds Russian Archive; copyright Mrs P. Browning
 - 21 E^{SH}-4151 on test in Russia, October 1922. Courtesy of G. V. Lomonosoff Collection, Leeds Russian Archive; copyright Mrs P. Browning
 - 22 A locomotive of the type overhauled in Estonia, 1921–1924. Courtesy of G. V. Lomonosoff Collection, Leeds Russian Archive; copyright Mrs P. Browning
 - 23 Canadian-built tanker wagon, 1921. Courtesy of G. V. Lomonosoff Collection, Leeds Russian Archive; copyright Mrs P. Browning
 - 24 Armstrong boilers awaiting shipment, 1922. Courtesy of G. V. Lomonosoff Collection, Leeds Russian Archive; copyright Mrs P. Browning
 - 25 The Avanesov commission, 30 November 1922. Courtesy of G. V. Lomonosoff Collection, Leeds Russian Archive; copyright Mrs P. Browning
 - 26 Sovnarkom meeting with Lomonosov seated at extreme right, October 1922. Courtesy of David King Collection.
 - 27 E^{SH}-4131 in Soviet service, *circa* 1975. Courtesy of A. V. Kazachkov

Cambridge University Press

052162178X - Modernising Lenin's Russia: Economic Reconstruction, Foreign Trade
and the Railways

Anthony Heywood

Frontmatter

[More information](#)

Tables

0.1 Foreign trade turnover, Russian Empire 1913 and Soviet Russia 1918–1923	<i>page</i> 4
0.2 Concession applications and agreements, Soviet Russia, 1921/2–1925/6	4
1.1 Profile of Russian foreign trade, 1894–1913	16
1.2 MPS goods shipped from North America, spring 1915–April 1918	46
2.1 Russian and Soviet railway traffic, 1913, 1917–1928	50
2.2 Soviet locomotive stock and ‘sickness’, November 1917–August 1920	51
2.3 Soviet output of pig iron, 1913–1923/4	54
2.4 Soviet output of Steel, 1913–1923/4	54
2.5 Russian and Soviet locomotive production, 1913–1929/30	55
7.1 Quantity and value of Railway Mission orders, 15 October 1920–15 April 1923	210
7.2 Principal Soviet railway contracts with foreign companies, 1920–1923	211
7.3 Value of total Soviet imports and selected products, 1920–1923/4	213
7.4 Values of Soviet contracts for imports, April 1920–1 January 1922	215
7.5 Value of Railway Mission current and completed contracts at 20 November 1922	216
7.6 Deliveries of selected products to the NKPS, 1 January 1920–1 November 1922	217
7.7 Deliveries of selected products to the NKPS, 1 October 1921–1 October 1922, including imports	218

Cambridge University Press

052162178X - Modernising Lenin's Russia: Economic Reconstruction, Foreign Trade
and the Railways

Anthony Heywood

Frontmatter

[More information](#)

Acknowledgements

Numerous people assisted my preparation of this book and its ancestor, my doctoral dissertation, and I am extremely grateful to them all. I owe special thanks to Mrs Peggy Browning and the Leeds Russian Archive for granting access to the papers of Professor Iurii Vladimirovich Lomonosov, the distinguished engineer–diplomat around whom so much of this study revolves. I am also indebted to the staff of the many libraries and archives in which I have worked, particularly to Mr Peter Morrish, Mr Malcolm Davis and Mrs Pat Shute (Brotherton Library, Leeds), Messrs Peter Nordby and Lars Svensson (Göteborg Regional Archive), and Dr Vsevolod Tsaplin (Russian State Archive of the Economy). Invaluable support was given by Mr Nigel Sill (Steam Traction Ltd), the Russian Ministry of Transport's Main Directorate for Locomotives (especially Mr Aleksandr Kryvnoi), Dr Valerii Tereshchenko (All-Russian Scientific Research Institute for Railway Transport) and the collective of Inter-track Ltd. I also wish to thank Mr Michael Holdsworth and Ms Lindsay Coles of Cambridge University Press for their guidance and patience.

For financial support I am most grateful to the ESRC, the British Council, the Finnish Ministry of Education, the University of Stockholm's Centre for Baltic Studies, the University of Leeds, and the University of Bradford Research Committee.

An earlier version of my discussion of British–Soviet trade negotiations appeared in *Revolutionary Russia*, Vol. 5, No. 1 (June 1992), pp. 53–91. I am grateful to the editor for permission to use parts of the article here. The photographs are reproduced by kind permission of Mrs Peggy Browning, Mr David King, Friedrich Krupp AG, Dr Nikolai Zenzinov and Mr Andrei Kazachkov.

Among the many others who have proffered assistance, advice, encouragement and/or hospitality I should like particularly to

Cambridge University Press

052162178X - Modernising Lenin's Russia: Economic Reconstruction, Foreign Trade
and the Railways

Anthony Heywood

Frontmatter

[More information](#)

Acknowledgements xv

acknowledge Mr Sebastian Anstruther, Mrs Susan Anstruther, Dr Hugh Aplin, Dr Robert Argenbright, Dr Gennadii Bordiugov, Mrs Helene Carlback-Isotalo, Ms Eileen Consey, Professor R. W. Davies, Dr Tony Edwards, Professor Cliff Foust, Professor Peter Gatrell, Mr Anders Johansson, Professor Sune Jungar, Professor Semen Khromov, Ms Elena Kudriakova, Professor Alexander Loit, Mr Aleksandr Makurov, Dr Mary McAuley, Mr John Morison, Dr Roger Munting, Dr Aleksandr Nikol'skii, Dr Mike Page, Mr Cliff Parr, Dr Sergei Pavliuchenkov, Mr David Price, Dr Arfon Rees, Professor Valerii Shishkin, Mr and Mrs Bertil Thulin, Mr Evgenii Ul'iantsev, Dr Aleksandr Ushakov, Dr John Westwood, Dr Christine White and Professor Stephen White.

Above all I must thank my parents, John and Pauline Heywood, without whose encouragement this research would not have been started; my dissertation supervisors, Dr David Collins and Mr Richard Davies, and the staff of the Department of Russian Studies, University of Leeds, without whose support my dissertation would not have been completed; and my colleagues at the University of Bradford for their subsequent encouragement. Needless to say, the responsibility for any errors of fact and interpretation is mine alone.

Cambridge University Press

052162178X - Modernising Lenin's Russia: Economic Reconstruction, Foreign Trade and the Railways

Anthony Heywood

Frontmatter

[More information](#)

Technical note

Russian words are transliterated with a simplified version of the Library of Congress system except for the accepted English forms Moscow, St Petersburg and Archangel. Also, the letter designation of one locomotive class is transliterated as 'Ye' rather than 'E' (see chapter 1, note 76).

Events within Russia prior to 1/14 February 1918 are dated by the Julian (Old Style) calendar, whilst events outside Russia are recorded with the Gregorian (New Style) calendar, though for clarity many such dates are shown in both styles. All later dates are in the 'New Style'.

Because of incomplete data and exchange-rate fluctuations the value of a given contract is indicated in the currency under negotiation unless comparative figures are shown in the sources. For overall comparisons, table 7.1 shows the value of the Soviet railway contracts in Swedish crowns at 15 April 1923 as recalculated by the Russians themselves, together with relevant London exchange rates for 13 April 1923. For the Soviet period ruble values refer to so-called gold rubles, except for one reference to Soviet domestic rubles.

The reliability of published Soviet foreign trade statistics is discussed separately in chapter 7.

Weights and distances have been converted thus:

1 pood	16.30 kilograms
1 verst	1.06 kilometres

References from Russian archives normally show the archive's name in abbreviated form, the number of the collection (*fond*), the number of the inventory (*opis'*), the number of the file (*delo*, or *edinitsa khraneniia*), and the number of the folio (*list*). In certain references from the Archive of Foreign Policy of the Russian Federation the file number is followed by the number of a packet (*papka*) and then the folio number. In all cases the reverse side of a folio is designated by 'ob' after the folio number.

Cambridge University Press

052162178X - Modernising Lenin's Russia: Economic Reconstruction, Foreign Trade
and the Railways

Anthony Heywood

Frontmatter

[More information](#)

Abbreviations and acronyms

AEF	American Expeditionary Force (in France)
Arcos	All-Russian Cooperative Society Ltd
DÖG	Deutsche Ökonomie GmbH
GOELRO	State Commission for the Electrification of Russia
GOMZA	State Group of Machine-building Factories
Gosplan	State Planning Commission
IPS	Inspectorate of Ways of Communication
KhMU	NKPS Directorate of Economics and Materials
Komgosor	VSNKh Committee for State Civil Construction
Mozherez	Moscow Railway Repair Factory
MPS	Ministry of Ways of Communication (until October 1917)
NEP	New Economic Policy
NKID	People's Commissariat of Foreign Affairs
NKPS	People's Commissariat of Ways of Communication
NKRKI	People's Commissariat of Workers' and Peasants' Inspection
NKTiP	People's Commissariat of Trade and Industry
NKVT	People's Commissariat of Foreign Trade
Nohab	Nydqvist & Holm AB
OTK	Basic Transport Commission
RKP(b)	Russian Communist Party (Bolshevik)
Sazherez	Samara Railway Repair Factory
SNK, Sovnarkom	Council of People's Commissars
STO	Council of Labour and Defence
Ts	People's Commissar of Ways of Communication
Tsentrosoiuz	Central Cooperative Society
TsK	Central Committee of the RKP(b)

Cambridge University Press

052162178X - Modernising Lenin's Russia: Economic Reconstruction, Foreign Trade
and the Railways

Anthony Heywood

Frontmatter

[More information](#)

xviii **List of abbreviations and acronyms**

TsP	Deputy People's Commissar of Ways of Communication
Volkhovstroi	Volkhov dam construction project
VSNKh	Supreme Council of the National Economy
VTsIK	All-Russian Central Executive Committee