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Russia's Food Power in the 20th Century

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Abstract

At the beginning of the twentieth century, grain was one of the strategically most important commodities, and the Russian Empire was one of its largest producers. However, due to the low productivity of collectivized agriculture and demographic pressures, the Soviet Union's share in world grain exports declined, and, by the 1980s, the Soviet Union had become the world's largest importer of grain. This article assesses the causes and implications of Russia's dwindling food power under Soviet Rule.

The Russian Empire as One of the World's Foremost Grain Exporters

Following centuries of imperial expansion, the Russian Empire came into the possession of the fertile plains surrounding the Volga, Don, Dnipro, and Vistula rivers. Grain grown by the inhabitants of these river valleys had been traded along the rivers and across the Black Sea for centuries. But it was only during the second half of the 19th century, when the steamship and the railway made long-distance trade commercially viable, that the Russian Empire became one of the world's premier food suppliers. By 1913, some 25% of internationally traded wheat came from the Russian Empire (Figure 1 on p. 31). The market share in fodder grains like barley and oats was even higher. In comparison to the other major wheat exporters of the time, the U.S., Canada, Argentina, and, later, Australia, the Russian Empire stood out by its relatively poor agricultural productivity and, consequently, the low living standards of its population. The fact that it exported so much despite its poverty was as much a result of its size as of the pressure on the rural population to market their grain to meet their tax obligations and pay for land rents. Such pressures on the peasantry, in turn, reflected the enormous importance of grain exports for the Imperial Russian state.

Food and fodder exports made up some 50–60% of all exports, and the hard currency thus generated was indispensable for the Tsarist Empire's strategy of authoritarian modernization. Moreover, the credibility of the gold standard, which the Russian Empire had adopted in 1897 and regarded as integral to its role as a Great Power, depended on running a trade surplus. Via the ports of the Baltic and the Black Sea, and the rivers and railway lines connecting them, the Russian Empire delivered grain to the industrial core of Europe – primarily Great Britain, Germany, the Netherlands, and Northern Italy. In these countries, the development of agricultural productivity trailed the rapid expansion of demand for food and fodder, a result of population growth, urbanization, and the attendant increase in meat consumption.

In the age of total war, grain supplies were a vital strategic question. If food and fodder supplies were severed during the war, this would have ramifications for the morale on the battlefield and the home front, and make it difficult to move armies that relied to a great extent on horses for their logistics. When, during World War I, international trade was interrupted by the trade embargoes and naval blockades of World War I, the Russian Empire's agrarian potential thus came into the focus of other belligerents. The British Empire, desperate to bring down the price of wheat due to fears of working-class unrest, attempted to take the Dardanelles in a bid to allow grain from the Russian Empire to be exported again, but failed disastrously (Lambert 2021). Germany and Austria, for their part, looked to control the grain harvest in Southern Russia and Ukraine to compensate for wartime shortages and the lack of overseas supplies. In the treaty of Brest-Litovsk with the anti-Bolshevik Ukrainian Rada, they stipulated the delivery of 1 million tons of grain and 400 million eggs (only a tiny fraction of which was eventually delivered). Later that year, another treaty with the RSFSR stipulated that the Soviet state had to pay 6 billion marks as an indemnity to Germany, much of it in the form of grain deliveries, but the defeat of Germany in November 1918 soon rendered these agreements obsolete. However, even after the German defeat, military planners continued to look to grain from Russia to make Germany independent from overseas food supplies (Ritschl 2005).

Grain Exports in the Service of Soviet Power

As much as grain from Russia was vaunted during the First World War, it became more or less irrelevant to international food security once peace had been restored (Figure 1 on p. 31). Soviet export potential had shrunk dramatically compared to before the war, owing to the destruction of infrastructure, the suppression of agricultural markets by the Soviet state, and the break-up of large farms in the wake of the Russian Revolution. At

the same time, grain production overseas had expanded rapidly in response to wartime shortages (which, as we have seen, partly sprang from the absence of Russia on world markets). Once European agricultural production had bounced back from the wartime slump, a glut in global grain markets formed, and the price of wheat declined severely – from over \$800 in 1925 to below \$300 in 1932 (Timoshenko, *Agriculture and the Depression*, p. 550).

For all the diminished potential, grain exports remained, as under the Tsars, a vital priority for Soviet leaders. Just like in Tsarist Russia, any prospect of reconstruction and rearmament was contingent on the resumption of grain exports, which would generate hard currency for the purchase of technology and materials abroad. When Stalin launched shock industrialization with the First Five-Year Plan in 1928, it was clear that the enormous quantity of imports required could only be financed by exporting more grain. As a result of these exports, the Soviet Union, for a brief and fleeting moment, was back again as one of the world's major grain exporters. Only with the famine of 1932/3 and the availability of alternative sources of hard currency (such as domestic gold production) did grain exports for industrialization lose their significance. Soviet grain exports remained relatively low since and never reached the levels of 1930, let alone of 1913, again (Figure 2 on p. 31).

Stalin had hoped that agricultural productivity and output would rise as a result of the collectivization of agriculture, initiated in the same year (Tauger 2006). However, the opposite was the case. Agricultural productivity dropped both due to resistance to collectivization and the inefficient labor organization on collective farms. The failure of collectivization did not persuade Stalin to abandon his ambitions for industrialization, and grain exports continued in the face of tremendous domestic shortages. Bread rationing had been introduced in early 1931 – the ration for heavy manual labor stood at 800g a day, most ordinary citizens were entitled to a mere 400g (Davies 1996, p. 533–534) – and famine conditions prevailed in the main exporting regions of Ukraine and Southern Russia from early 1932 to the summer of 1933.

Soviet Food Power

For all of the lackluster performance of Soviet agriculture, which limited the amount of food aid it could provide, the Soviet Union did pursue a vision of food power. As early as 1920, Stalin expressed hopes of leveraging the agricultural potential of Russia in international politics. In a speech given during the Civil War in Tsaritsyn

(later Stalingrad), in the grain-rich Russian South, he said: “Even though we do not have large reserves right now, we need to create a food fund for the West. The victory of the revolution in Italy and Germany will give rise to a food crisis the day after the revolution when bourgeois America will stop supplying them with grain.”¹

To an extent, Stalin's vision of a communist bloc with grain supplies from the Soviet Union at the center became a reality during the Cold War when the Soviet Union extended food aid in return for loyalty. With much of East-Central Europe reeling from food shortages in the immediate postwar era, and Stalin reluctant to allow for more American aid into these countries, the Soviet Union stepped in, despite severe shortages, even famine, at home. Of the poor harvest in 1946, 10% of all procured grain (i.e. the grain taken by the state from collective farms) was designated for export to Soviet satellites in Eastern Europe (Ganson 2009, p. 104). Food aid to “brother states” continued throughout the Cold War, as Mongolia, North Korea, and Cuba came to rely permanently on Soviet deliveries to alleviate their food shortages. On other occasions, notably in the wake of unrest in 1956, 1968, and 1981, the Soviet Union delivered food to the countries of East Central Europe. The Soviet Union's role as the hegemon of the socialist bloc thus added to the strains on domestic food supply (Figure 2 on p. 31).

The Soviet Union as a Major Grain Importer

Geopolitically much more significant than Soviet food aid during the Cold War was the dependence of the Soviet Union on grain *imports*, 80% of which were purchased from the Soviet Union's international rivals, like the U.S., Canada, and Argentina (Kostecki 1984). The dependence on grain imports in the second half of the twentieth century was not indicative of a calorie deficit on the Soviet side. Rather, it was the result of the post-Stalinist leadership's priority for raising meat and dairy production and the concomitant growth of the livestock herd, which domestic agricultural production could not adequately supply. The limitations in fodder supply begot a chronically undernourished livestock herd and ultimately forced the Soviet Union to systematically import grain during the 1970s and 1980s (Figure 3 on p. 32). Fatefully, the Soviet buying spree coincided with, and doubtless aggravated, the rise of food insecurity in developing countries following the quadrupling of food prices within 18 months of June 1972.

The dependency of “The Second World” on grain imports from the “First World” was a defining characteristic of the latter stages of the Cold War. While

1 Doklad na kraevom soveshchanii kommunisticheskikh organizatsii Dona i Kavkaza, October 27, 1920, in Stalin, I.V., *Sochineniia* T.4 (Moscow: Gosudarstvennoe Izdatel'stvo politicheskoi literatury, 1947), p. 374–381, p. 379.

the expansion of Soviet grain imports was, first and foremost, the consequence of the expansion of the Soviet livestock herd, it was enabled by fortuitous financial and political conditions. The Oil Shock of 1973, when oil prices tripled, produced a windfall of hard currency. The Nixon administration saw agriculture as an area for closer economic cooperation between the Soviet Union and the U.S. without the risk of enhancing Soviet military capacities by selling technologically sophisticated goods. Grain sales to the Soviet Union also promised to generate support for the Republican Party in the American farm belt.

During the 1980s, the reliance on grain imports became a heavy burden on the Soviet Economy. As a sanction in response to the Soviet invasion of Afghanistan in late 1979, U.S. President Jimmy Carter banned American grain sales to the Soviet Union. The Grain Embargo sent shock waves through the Soviet political elite, raising the specter of another 1963-style food crisis (when 30 million pigs had to be culled) and, potentially, domestic political unrest in its wake. In the event, the material harm from the grain embargo was limited, because the Argentine Junta defied Carter's ban and allowed the Soviet Union to buy up almost the entire available surplus from Argentina. The embargo appeared ineffective and was soon lifted after Ronald Reagan became president in 1981. Meanwhile, the Soviet grain deficit reached staggering proportions, and the Soviet Union became the world's largest grain importer (not counting other socialist countries, which also imported heavily). Throughout the 1980s, some 25%–30% of total

Soviet cereal consumption was imported, and more than 40% in 1984 (Pikhoia 2000, p. 453).

As they repeatedly forced the regime to tap into the gold reserve, food imports contributed significantly to the deterioration of the financial situation in the late Soviet Union, especially after revenues from oil exports declined in the 1980s. Reluctant to cut back on domestic meat consumption (likely the result of resistance from the agro-industrial complex), Gorbachev continued grain imports until Soviet reserves were exhausted. In 1990, Gorbachev was forced to ask the American president for financial aid to cover food imports (Gaidar 2007, p. 196). Ultimately, the Soviet Union did not have a choice but to buy grain from its political rivals because no other country, certainly not within the Eastern Bloc, would have been able to satisfy the rapacious Soviet demand for grain, and because the post-Stalinist leadership (in contrast to Stalin) prioritized domestic consumption over the Soviet Union's financial standing.

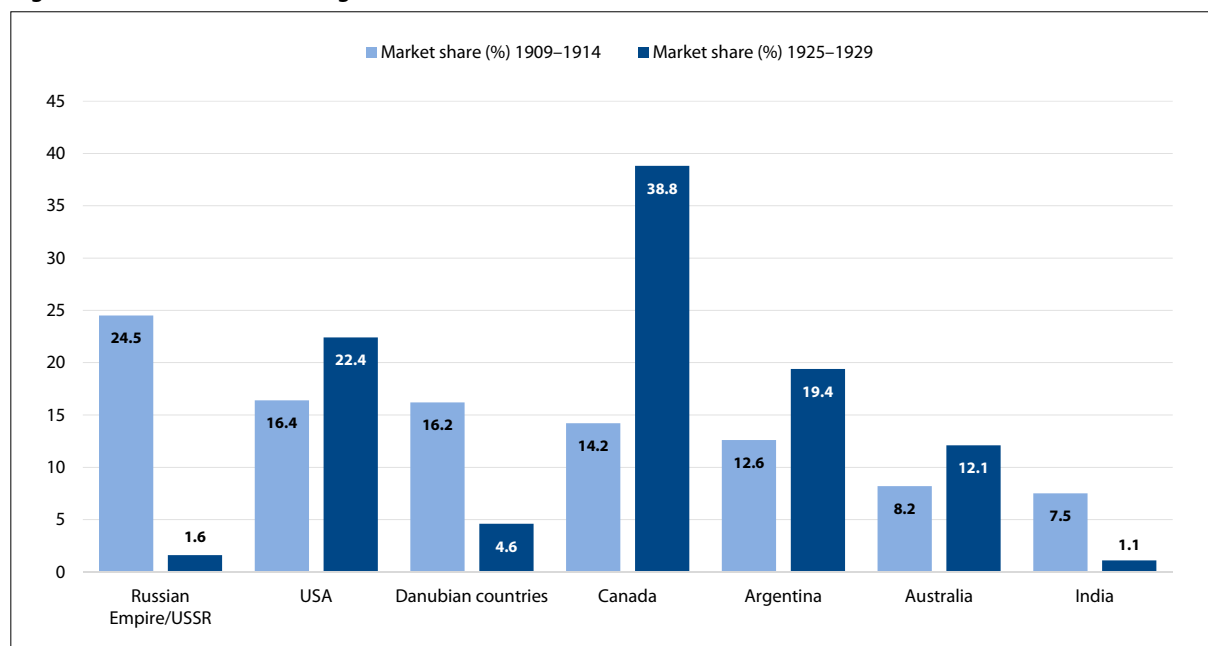
It is no exaggeration to say that the sorry state of agriculture constituted one of the fundamental weaknesses of Soviet power. It exposed the leadership's promises of plenitude as void, made it difficult to provide food assistance to the "Third World" and diverted resources away from the modernization of industry. The abysmal performance of Soviet agriculture certainly loomed large on the minds of post-Soviet leaders and made the restoration of "food sovereignty" a priority as they dismantled the Soviet system. As a result of their reforms – not discussed in this article – Russia, Ukraine, and Kazakhstan are, again, among the world's top food exporters.

About the Author

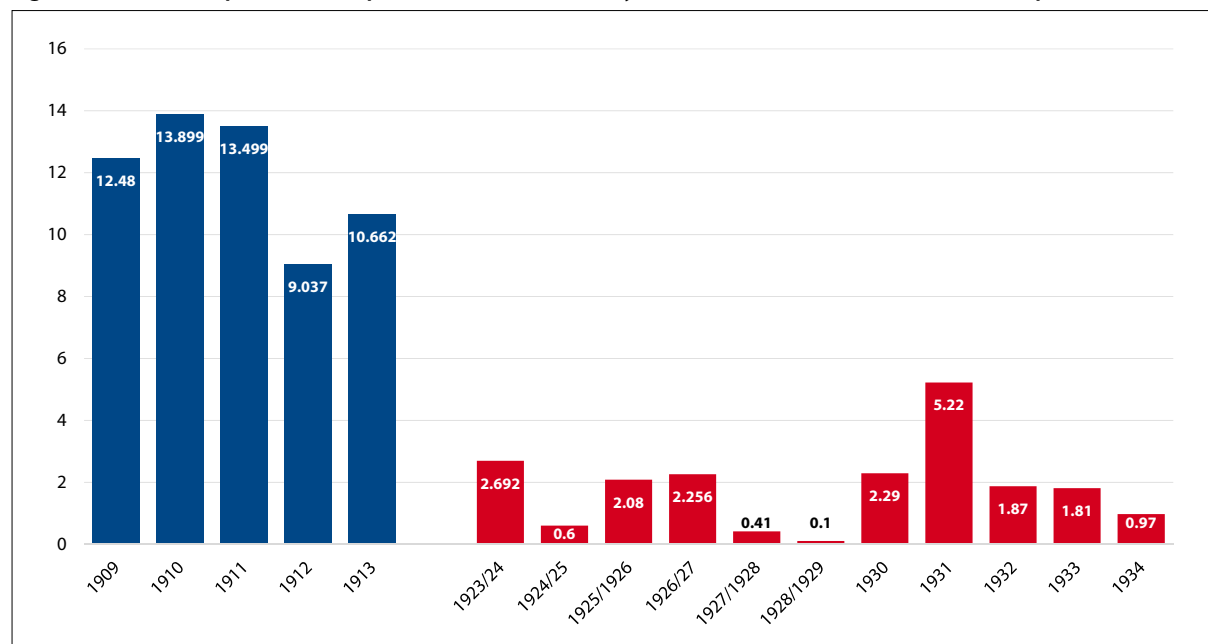
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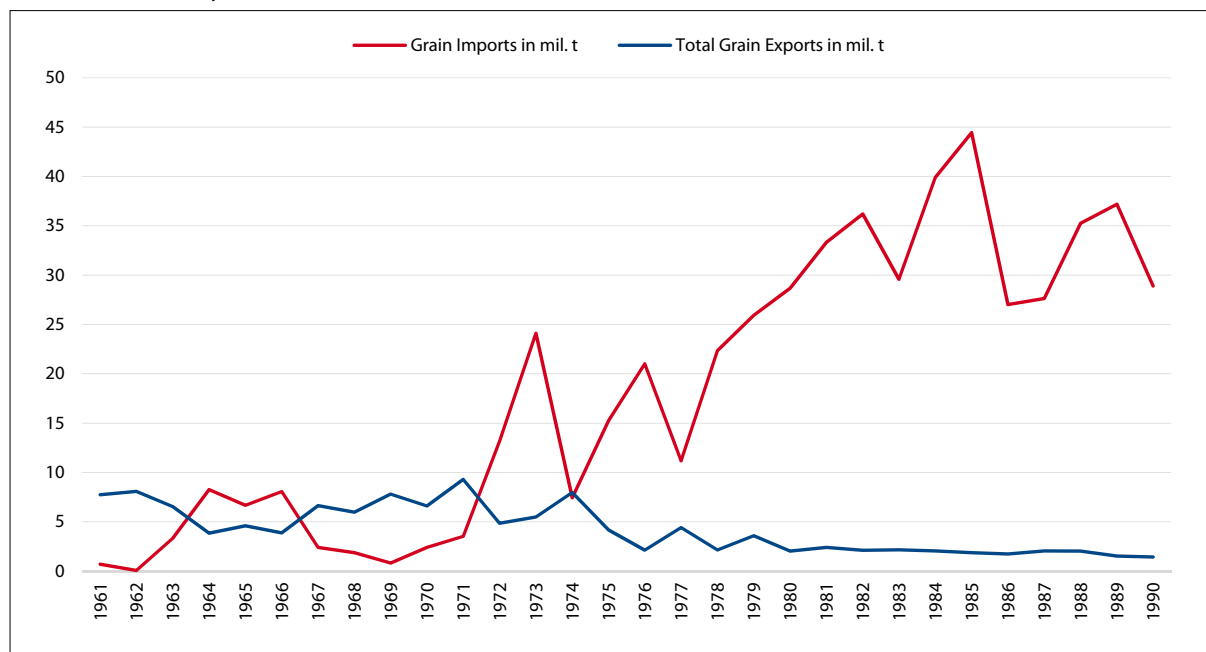
Figure 1: The World's Leading Grain Producers before and after World War I

Source: *World Agriculture: An International Survey* (London: Oxford University Press, 1932), p. 75, reproduced after: Topik, Stephen and Alan Wells (2012) "Commodity Chains". In: *A World Connecting, 1870–1945*, edited by Emily S. Rosenberg, pp. 685–815. Cambridge, MA: Belknap Press of Harvard University Press, here: p. 699

Figure 2: Grain Exports from Imperial Russia and the Early Soviet Union in millions of metric tons p.a.

Source: Dohan, Michael (1969) *Soviet Foreign Trade in the NEP Economy*. PhD Dissertation: MIT, p. 107, p. 562, p. 639

Figure 3: Soviet Grain Exports and Imports (Cumulated Imports and Exports of Wheat/Wheat Flour/Barley/Oats/Corn/Rye), 1960–1990



Year	Grain Imports in mil. t	Total Grain Exports in mil. t
1961	0.701	7.7471
1962	0.0672	8.0827
1963	3.3297	6.5437
1964	8.2534	3.841
1965	6.6642	4.6011
1966	8.0687	3.8722
1967	2.3964	6.6404
1968	1.8673	5.9779
1969	0.8101	7.80988
1970	2.4089	6.60593
1971	3.5302	9.30083
1972	13.1744	4.852975
1973	24.1066	5.4844
1974	7.437669	7.9702
1975	15.246863	4.172579

Year	Grain Imports in mil. t	Total Grain Exports in mil. t
1976	21.008147	2.120273
1977	11.183014	4.413837
1978	22.340564	2.142351
1979	25.927069	3.586379
1980	28.66589	2.036785
1981	33.33206	2.397212
1982	36.192388	2.117165
1983	29.572755	2.160302
1984	39.898109	2.051329
1985	44.443662	1.865884
1986	27.012666	1.739598
1987	27.624386	2.053248
1988	35.256728	2.023703
1989	37.193304	1.527137
1990	28.899922	1.431507

Source: FAOSTAT