Modernisation

To be a great power in the twentieth century – and the Tsar and the ruling elite wanted their country to play a major role on the world stage – Russia had to modernise. It lagged far behind its Western competitors in industrial and technological capacity. It had to industrialise to have any hope of matching countries like the USA, Germany, Britain and France. A strong industrial base was needed to provide the weapons, ships, munitions and other military equipment required for modern warfare.

Russia also needed to modernise to raise the standards of living for ordinary people. It was a poor, backward country and had to increase its general wealth to bring the peasants out of poverty and take surplus labour off the overcrowded land and into the towns.

Industrialisation

Sergei Witte, Finance Minister from 1892 to 1905, was the architect of Russian industrialisation. Russia had huge reserves of oil, iron, coal and timber – the problem was how to exploit them. Witte believed that, because Russia was so far behind other countries, the state had to play a large role in stimulating industrial growth. He launched Russia into an age of heavy industry, using the railways as a springboard. Witte had ‘a kind of holy passion for railways’ and saw them as agents of civilisation and progress. The railways would not only provide better communications between cities for the movement of people and goods but they would also stimulate demand for iron, steel, coal and other industries. There was a railway boom in the 1890s and the extent of railway tracks nearly doubled:

<table>
<thead>
<tr>
<th>Year</th>
<th>Railway growth (in miles of track)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1866</td>
<td>3,000</td>
</tr>
<tr>
<td>1881</td>
<td>13,270</td>
</tr>
<tr>
<td>1891</td>
<td>19,510</td>
</tr>
<tr>
<td>1900</td>
<td>33,270</td>
</tr>
<tr>
<td>1913</td>
<td>43,850</td>
</tr>
</tbody>
</table>

By the end of the 1890s, nearly 60 per cent of all iron and steel was consumed by the railways. Witte’s most famous project was the Trans-Siberian Railway, which was of more symbolic than economic importance, although it did help to develop western Siberia.
The government needed a lot of money to invest in the railways and in expensive capital equipment (machinery used to manufacture goods) in order to establish a sound engineering and manufacturing base. The big question was: where was the money going to come from? Witte came up with two sources:

1. foreign investment – he negotiated huge loans, particularly from the French. Also, to encourage the influx of foreign money, Witte adopted the gold standard, which meant that the rouble had a fixed gold content. This gave it strength when exchanged with other currencies. However, paying the interest rates to service foreign debt was a major drain on resources

2. the Russian people themselves, who of course were mainly peasants. He increased their direct taxes and also indirect taxes on everyday items such as salt, kerosene and alcohol. Peasants had to sell more grain to pay their taxes, which allowed Witte to increase grain exports. Also, to protect her developing industry, Russia imposed extremely high tariffs on foreign industrial commodities. This made many goods very expensive for Russians to buy – notably agricultural machinery. Workers’ wages were kept low so that money went back into industrial development rather than into wage bills. He was squeezing the people very hard, especially the peasants, in order to pay the interest on the loans and protect fledgling industry.

The drive for industrialisation was a top down, state-sponsored model to an extent unequalled by any Western country. By 1899, the state had bought almost two thirds of all metallurgical production, controlled 70 per cent of the railways and owned numerous mines and oil fields. Critics argue that the emphasis on heavy industry meant that light industry, like textiles, was neglected, as was the development of smaller, sophisticated machine tool and electrical industries that would have reduced the need for imports and helped modernise manufacturing. Furthermore, Witte also neglected agriculture, which suffered from underinvestment.

Witte relied not only on foreign loans but also on foreign expertise. He brought in a large number of foreign companies, engineers and experts to help kick-start Russian industry into the modern age. They came from France, Britain, Germany, Sweden and other European countries. They were particularly evident in the new industrial areas in the south and the west, in the metallurgical industries of the Donbass, and in the oil industry around Baku. Witte encouraged the growth of private enterprise and, although his critics accused him of creating a dangerous and shameful dependence on foreigners, a new class of go-ahead Russian industrialists, entrepreneurs and businessmen began to emerge, especially in Moscow.

Witte hoped that industrial growth would take off and create more wealth for everyone before the squeeze on the workers and peasants hurt too much. Up to 1900, his plan seemed to be working. The growth in industry was remarkable. For example, between 1890 and 1900, the production of iron and steel had risen from 9 to 76 million poods a year (1 pood = 36.11 pounds); coal output tripled and the production of cotton cloth increased by two thirds. The growth rate in the 1890s hit nine per cent. Towns increased in size. By 1897, Moscow had one and a half million inhabitants and St Petersburg over two million. Moscow by the turn of the century was the fastest growing city east of New York and one of the ten biggest cities in the world.
The contradictions of modernisation

The dilemma for Nicholas II was that while modernisation was desirable in many respects, it also posed a serious threat to the tsarist regime.

- When millions moved from the countryside to the cities to work in factories there was bound to be an increase in social tensions and instability within society. The working classes, living and working in poor conditions, could become volatile and discontented. They would find it easier than the peasants to take concerted action because they were concentrated in large numbers in the cities.
- A more educated workforce (and Witte favoured the spread of technical education) would create people who were more able to challenge the government.
- The growth of the middle classes would create pressure for political change, for more accountable and representative government. Most modern industrial countries had democracies and parliaments in which the middle classes featured strongly and the power of the monarchs was limited.

SOURCE 1.16 H. Rogger, Russia in the Age of Modernisation and Revolution 1881–1917, 1983, p. 108

Witte hoped and believed that industrialisation would transform Russian society, but to become industrialised Russia had first to be transformed. At the least both processes had to move at comparable speeds, but this demanded that the country, its people and indeed the world hold still, so to speak, for an unknown length of time while industry performed its work of transformation. Tranquillity at home and peace abroad were essential, and the former especially would be difficult to maintain in the midst of the strains to which the country was being subjected. Even if there had been a greater supply of political intelligence or flexibility on the part of Russia’s rulers, industrialisation was bound to threaten political stability, and instability to endanger Witte’s policies.

MODERNISATION

40 YEARS ON

Stalin, like Witte, faced the same problem of how to bring an underdeveloped Russia to the same level as the advanced nations. There are some similarities in their solutions. Both drove change from above, focusing on heavy industry and squeezing the peasants, though in Stalin’s case infinitely harder. But there was a crucial difference: there was no foreign capital for Communist Russia. Witte would have appreciated why, as indicated in a memo he sent to the Tsar. ‘What sense is there for foreign states to give us capital? Why create with their own hands an even more terrible rival? For me it is evident that, in giving us capital, foreign countries commit a political error, and my only desire is that their blindness should continue for as long as possible.’

Sergei Witte 1849–1915

Witte was born in Tiflis in Georgia in 1849 and spent his early years in the Caucasus. After graduating from the University of Odessa, he worked for the Odessa Railway and became an expert in railway administration. This led to his appointment in 1889 to the railway department of the Ministry of Finance. His growing reputation saw him soon promoted in 1892 to the post of Minister of Communications and then to Minister of Finance in 1895. It was in this role that he drove the push for industrialisation. He was by far the most able minister in the government and the best hope for the Tsar of peacefully modernising Russia before 1905. However, he was opposed by the more conservative elements in the government and court circles who would not support his programme for change – their antagonism and criticism contributed to his dismissal in 1905. He was an outsider with a background in business who was married to a Jewish divorcee and they did not trust or like him. This was in part because he was a difficult personality to deal with, described variously as tricky, evasive, boastful and quarrelsome. However, he was also very energetic, highly organised and, intellectually, towered above the officials and politicians of the time.

Although Witte was a firm supporter of the autocracy, by 1905 he had come to believe that some constitutional reform was necessary as part of the process of modernising Russia. Nicholas brought him back in the midst of the chaos of 1905 to negotiate a successful peace settlement with Japan to end the Russo-Japanese War. Witte was then made Prime Minister, in which role he secured vital loans that kept the regime from bankruptcy. He persuaded Nicholas to sign the October Manifesto granting concessions to the middle classes and establishing a duma or parliament. However, in 1906, when he discovered that Nicholas never intended to honour these concessions, he resigned. For his part, Nicholas never forgave Witte for pushing through constitutional change and Witte was ostracised from the Russian establishment until his death in 1915.
Focus Route

Make notes of the challenges facing the tsarist regime from different groups:
1 The peasants
2 The national minorities
3 The urban workers
4 The political opposition
   a) Liberals
   b) Socialist Revolutionaries
   c) Social Democrats

Other challenges facing tsarist Russia

The government also faced challenges from four social groups: the peasants, the workers, the national minorities, and the intelligentsia from the middle classes and gentry.

1 The peasants

The peasants made up the vast bulk – almost 80 per cent – of the population. In the main, they were poor and life was hard and unremitting (see page 7). They harboured a whole raft of grievances dating back to their emancipation of 1861. Although they had been freed and given plots of land, the peasants were forced to pay for these by making yearly redemption payments to the government. Many could not afford the payments and were driven into debt. What made things worse was that the plots they had were often too small to make a reasonable living so many had to supplement their earnings by working on the estates of the nobility. This was exacerbated in the second half of the nineteenth century when a huge increase in population put even greater pressure on the land.

The peasants felt betrayed by the emancipation. They believed that the land really belonged to the people who worked it – them! They wanted the rest of the big estates to be given to them to work freely as independent land owners. There was always a threat of peasant uprisings, which made the tsarist regime unstable. These uprisings usually took place when harvests were bad and the peasants were starving; at these times they had little to lose.

The peasants were also subject to restrictions placed on them by their own village commune or 'mir' which could be a blessing and a curse. The mir was generally run on a co-operative basis and offered mutual support. Village assemblies were quite democratic allowing for views to be voiced before decisions were reached, although older or richer peasants tended to be more influential. It was an egalitarian institution in which strips of land were allotted to a household according to its size and this could be reviewed if the size of the household changed. Whilst fair, this did not usually lead to efficient agriculture (see below). The mir could be very restrictive. Peasants could not move freely from place to place without the mir's permission and could be flogged and imprisoned without trial. It found ways to punish those who did not toe the line, for instance it selected the conscripts for the army.

Agriculture was central to the development of the Russian economy. It was essential that it was modernised and mechanised in order to produce enough grain to feed the people of Russia and to sell abroad to earn foreign currency. Many peasants were still using the outdated strip system of farming with a few animals and antiquated tools, e.g. wooden ploughs. This led to subsistence farming rather than production for the market. The picture was not the same all over Russia. Some parts were doing well, particularly in the south and west. Recent evidence suggests that agriculture was in a much better state than historians had previously thought. It is argued that some more entrepreneurial peasants, called kulaks, were buying up and renting land from the nobility, experimenting with crops and cultivating market gardens to feed the expanding towns. There is also evidence to suggest that some communes were progressive and anxious to put new farming methods into practise. Agricultural output at the end of the nineteenth century was going up year on year.

2 The urban workers

Even by 1900, the urban workers only numbered around 5 million, 2.5 per cent of the population. Most of the workers were ex-peasants although by 1900 almost one third had fathers who had been workers in the mines or factories or on the railways. Many retained close links to their villages and often returned, particularly at harvest times, to work on the land.

Working conditions were grim. Long hours, normally over 11 hours a day but often longer, were compounded by a harsh environment where workers were disciplined and fined for the smallest infractions. Accidents, causing death or serious injury, were common and there was a high rate of disease and
illness related to the conditions in the workplace. Wages were very low, barely
even to live on. Living conditions were no better. Large numbers of workers
lived in barrack-style accommodation next to the factories or mines in which
they worked. This was usually dirty and unsanitary. It was not unknown for
workers coming off shift to get into the beds of the workers going on shift when
the factories were kept going 24 hours a day. Privacy was a luxury, with men,
women and children living alongside each other, separated only by a curtain –
cooking, eating, sleeping and having sex. Others lived in huge tenement blocks
where things were no better.

Although they did not form a large proportion of the population, the urban
workers were militant and posed a real threat to the authorities. There were
several reasons for this.

- They resented deeply the harsh conditions in which they found themselves,
  seeing themselves as slaves rather than workers.
- Exploitation was especially bad in small workshops that were not subject to
government legislation.
- They had a high literacy rate (57.8 per cent) compared with the peasantry.
  They were able to read political literature and articulate their views and were
generally more receptive to revolutionary ideas.
- A significant section of Russian industry was concentrated in large complexes
  and huge factories. This was partly because of the heavy state involvement
  and partly because, since Russia had been late to industrialise, it used
  the latest mass production techniques. Some factories, like the Putilov
  engineering works in St Petersburgh, employed thousands of workers. This
  made it easier to organise politically and to create unity of purpose and
  action. If the workers from these big plants went on strike, thousands of
  people hit the streets.

There was a significant level of labour unrest in the 1890s. Although phenomenal
industrial growth benefited some of the more skilled workers, not much of this
new wealth found its way to the great mass of workers. St Petersburgh, growing
very fast, was also regarded as the most overcrowded and unhealthy city in
Western Europe. The number of strikes increased in the last decade of the
nineteenth century even though to participate in a strike could lead to a prison
sentence of one to three weeks. The textile workers in St Petersburgh mounted
massive strikes in 1896 and 1897.

3 The national minorities and Russification

Many of the nationalities in the Russian Empire resented Russian control,
particularly the policy of Russification that had been imposed more rigorously
in the second part of the nineteenth century. It was promoted by Alexander III
and carried on by Nicholas II. This policy involved making non-Russians use the
Russian language instead of their own and adopt Russian customs and habits.
Russian officials were brought in to run regional governments in non-Russian
parts of the Empire like Poland, Latvia and Finland. The Russian language
was used in schools, law courts and regional government. For instance, in
Poland, it was forbidden to teach children in the Polish language. Poles could
not be employed in government positions. Usually it was Russians who got the
important jobs in government and state sponsored industry. What made it worse
was that the minorities had to pay large sums to the imperial treasury.

The emphasis on the superiority of the Russian way of life infuriated the
national minorities who saw Russification as a fundamental attack on their
way of life, their national and cultural heritage, and a monstrously unfair policy
that discriminated against them. This was especially true in respect of religion.
The Catholic Church in Poland, the Georgian Orthodox Church, the Lutherans
in Lithuania and other religious sects all resented government interference in
their religious practices. The Jews, who formed a sizeable ethnic group, were
forced to live in an area known as the Pale of Settlement. They suffered from a
deliberate policy of anti-Semitism which placed social, political and economic
restrictions upon them. Encouraged by the authorities, they were subject to
frequent pogroms – organised attacks on their homes and businesses by ultra-conservative nationalists.

During the nineteenth century there were a number of uprisings and protests from national groups seeking greater personal freedom and more autonomy (self-government) in their parts of the empire. These tended to occur in one region at a time and the tsarist government was able to suppress them. It seems strange that the government sought to antagonise and alienate such a large section of its population. It drove many into the ranks of the revolutionaries. For instance, many Jews were found in revolutionary groups and in 1897 they formed their own ‘Bund’ or union.

4 Political opposition

Substantial opposition had grown towards tsarism during the later part of the nineteenth century. Amongst the Russia intelligentsia (writers, artists, philosophers and political activists), many believed the regime was oppressive and that Russians lacked basic freedoms present in Western European countries. Some felt that change could be achieved through reform; others that the only way to bring change to Russia was to overthrow the tsarist regime by revolution.

THE LIBERALS

The liberal movement had grown significantly after the local government reforms of Alexander II in 1864, which had set up town and district councils called zemstva (singular zemstvo). These gave local areas a small degree of autonomy to run their own affairs, manage schools and hospitals, build and maintain roads, etc. These councils had proved to be very effective and created a class of people who became skilled in local politics. This included liberal leaning members of the Russian nobility as well as representatives of the middle classes, many of whom worked for the zemstva, including Chekhov (the playwright) who was employed as a doctor. They gained a taste for greater participation in government. The zemstva have been called ‘the seedbeds of liberalism’.

The idea of ‘liberalism’ prevalent in Western Europe was not very Russian and it took a different form in Russia. What Russian liberals agreed on was that reform rather than violence was the way to change the tsarist system and limit the tsar’s powers. Many others wanted an extension of freedoms and rights (see right). Before 1905, there was no liberal party to speak of. Liberalism took on a more organised form at the beginning of the twentieth century. In 1903, the Union of Liberation was formed demanding economic and political reform. The Liberals were the major opposition to tsarism before 1905 and indeed up to the 1917 revolution.

Main beliefs: civil rights and freedom of the individual, the rule of law, free elections, parliamentary democracy and limitation of the tsar’s powers, and self-determination for the national minorities. Some believed that the concept of the zemstva should be extended to regional and perhaps national level.

Methods: reform rather than violent action, political channels through zemstva, articles in newspapers, meetings and reform banquets.

Support: they did not have a large popular base and had few active supporters outside Moscow, Petrograd and a few other large cities. Their main support came from the middle class intelligentsia: lawyers, doctors, professors, teachers, engineers and other professional groups. They also had support amongst progressive landowners, industrialists and businessmen.

REVOLUTIONARIES

Populism and The People’s Will

In the later part of the nineteenth century, the main revolutionary movement was Populism. Populists put their trust in and sought support from ordinary people. From the 1860s to the 1880s the populists or Narodniki, largely well-to-do intellectuals, believed that the peasants in Russia could develop their own form of socialism. Life would be based around co-operation and sharing in peasant communes on a fairly small scale. This would avoid capitalism and the evils of industrialisation. However, it was not really clear how this would be achieved and did not amount to a coherent programme. They believed in ‘going to the people’ and spreading their socialist ideals to the peasantry by peaceful propaganda. Many populists, particularly students and young people, did ‘go to the people’ in the 1870s, moving out to the countryside to live with peasants and convince them of their revolutionary potential. But the peasants had nothing in common with these middle class youngsters with their strange ideas and rejected them.

After the failure to get a response from the people, in 1879 some Populists formed The People’s Will. Peaceful propaganda gave way to violent action – they turned to terrorism to bring down the tsarist regime. Their most spectacular success was the assassination of Alexander II (see page 4). This prompted a fierce reaction from the tsarist regime and led to a period of repression. The People’s Will and Populism in general helped create a revolutionary tradition and more directly gave birth to the Socialist Revolutionary Party.