

# International Review of Management and Marketing

ISSN: 2146-4405

available at http: www.econjournals.com

International Review of Management and Marketing, 2016, 6(S1) 312-315.

Special Issue for "Socio-Economic and Humanity-Philosophical Problems of Modern Sciences"



# The Role of Economics of Leningrad in the Soviet National Industry during the Great Patriotic War

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#### **ABSTRACT**

This article is based of archival documents and published sources the role of Economics in Leningrad All-Union Economy during The Great Patriotic war was described. It is emphasized that even in the enemy siege the residents of Leningrad have provided the front with everything necessary. There were data on losses of the enterprises of Leningrad during the war, as well as information about the damage to the city utilities, transportation, and communications. The author paid attention to the study of the dynamics of evacuation equipment and specialists from Leningrad during 1941-1943 and process of re-evacuation occurred in 1944. An attention was payed to the qualitative changes in the structure of the equipment that was associated with the selection of new production technologies. This article examined a wide range of economic issues, including the development of multiple industries as well as the activities of the health care system, public education and cultural institutions. Attention was drawn to the fact that all operated in Leningrad enterprises and institutions was a single state-owned facility. Special attention was paid to the activities of the banking system, its role in the maintenance of municipal enterprises, institutions and people of Leningrad.

Keywords: Great Patriotic War, Industry, Economy, Finance

JEL Classifications: D80, L60

# 1. INTRODUCTION

To date in the scientific literature a reasonable estimate of the contribution of the economy of Leningrad in the Soviet Victory in The Great Patriotic war was not given. Analysis of ways to strengthen the economy of the metropolis in terms of its isolation helps to identify effective ways of its development in the conditions of sanctions against the Russian Federation. In 1941-1945 Leningrad has gained an important experience not only in an increase in produced goods, but also the experience of strategic planning of development of all sectors of the economy aimed at strengthening the country's defense.

# 2. MATERIALS AND RESEARCH METHODS

In this article the author has introduced in scientific circulation a number of documents of the Central State Archive of St. Petersburg (the Central State Archive of St. Petersburg), allowing in a new way to look at some aspects of economic development of Leningrad during the war, including during the siege. The analysis of historiography gave the opportunity to compare its data with archival documents, which enabled to improve the reliability of the study. The methodology of the research is based on a number of scientific methods: Methods of analysis, deduction, induction, generalization, synthesis and comparison. Among the historical methods were used historical-systemic, historical-typological, comparative-historical and retrospective methods, as well as a method of historical periodization. So, widely was used historical-comparative method because it allows better to trace the dynamics of the production process, makes it possible to compare economic and other indicators in different time periods. The historical-comparative method allows us to determine the reliability of a historical source in terms of its comparison with other sources. It provides an opportunity to assess the historiography from the standpoint of the objective relationship of researcher to the interpretation of the used sources. In addition, the method helps to identify factual inaccuracies in the documents, especially in memoirs and diaries. Historicaltypological method allows successfully to explore the essential elements that characterize the economy of Leningrad at different stages of hostilities. This method let successfully to study the process of urban governance and urban economics. Historicaltypological method helps to provide a more accurate assessment of the development of economic sectors, including the banking system, network, utilities, educational, scientific, cultural institutions, industrial and agricultural enterprises, transport, trade, construction, communications and other industries. Historicalsystematic method allows to consider the economic activity of Leningrad simultaneously in two planes: As a holistic phenomenon and, at the same time, as a phenomenon with a complex structure and multiple connections. These connections, interacting, creates not always predictable palette of folding financial and economic relations in Leningrad in the war time. A method of historical periodization helps to streamline the historical data, while the retrospective method of the study allows to trace the main trends of financial and economic development of the city and the country as a whole during The Great Patriotic war.

# 3. DISCUSSIONS

The material losses of the USSR during The Great Patriotic war amounted to 41% of the losses of all countries involved in The World War II (WWII). The Wehrmacht and its allies fully or partially destroyed 1710 Soviet cities and towns, more than 70 thousand villages. In the course of the war were destroyed more than 6 million buildings, resulting in homes loss of 25 million people. The enemy destroyed about 32 thousand industrial enterprises, 98 thousand collective farms, 1876 state farms, 2890 machine and tractor stations. The Soviet people during the war, has lost about 30% of national wealth, which amounted to 192 billion rubles (Vasilenko, 2013). Among the destroyed Soviet cities, as it is known, one of the most affected became the city of Leningrad, the economy of which suffered enormous damage. According to S.P. Knyazev, who referred to data from the Central State Archive of historical-political documents of St. Petersburg, in Leningrad destroyed 90% of the industrial enterprises (Knyazev, 1965). Enemy artillery bombardment and bombing had destroyed 840 industrial buildings, 3 thousand were damaged. Significantly suffered such industrial giants as "Kirovsky Zavod" and "Electrosila," "Russkij Dizel," the factory "Svetlana," Leningrad meat-packing factory named by S.M. Kirov, the city plant. Significantly were affected the transport, utilities, medical, educational and cultural institutions. According to the oldest historian of the siege of Leningrad N.D. Hudakova "were destroyed 388 km of tramways, 118 tram cars; damaged 980 tram cars and trolley buses 114,106 of 640 locomotives and cars, more than 285 miles of railroad tracks were destroyed and damaged" (Khudyakova, 2006). The Nazis completely destroyed in Leningrad 22 school buildings and 5 building institutions. 393 schools and 150 buildings of higher educational institutions, including the building of the Leningrad state University named by A. Zhdanov, the Academy of Arts, Mining Institute, 482,195 medical and children's institutions were damaged. The total loss of Leningrad and suburbs amounted to 38 billion rubles (Khudyakova, 2006), i.e., 20% of all damage

(Vasilenko, 2013; Khudyakova, 2006) caused by the enemy of the Soviet Union during The Great Patriotic war.

According to the newspaper "Pravda" of 1943 December "Leningrad, despite its frontline position is one of the most important centers of manufacturing for the front arms and ammunition" (Frolov, 2011).

# 4. RESULTS

Due to the evacuation from Leningrad to other parts of the USSR of industrial enterprises, cultural, scientific and educational institutions in the Volga region, the Urals, Siberia and the far East, the Trans Caucasus and the Central Asian republics were laid the foundations for numerous new segments of the economy. In the subsequent war and postwar years they became the basis of rapid economic and cultural development of the regions of the Soviet Union.

As shown by archival researches, from Leningrad in 1941-1942 was evacuated to 80 thousand units of equipment accounted for 80% of the entire fleet of production equipment of the city (Central State Archive of St. Petersburg (Hereinafter – the Central State Archive of St. Petersburg). F. 4965. List 3. D. 82, p. 4).

As is known, the evacuation lasted till the end of autumn 1943. The best equipment of Leningrad was transferred to the unfolding enterprises in virtually all surround regions of the country. In the rear of the Soviet Union during the war there was not, perhaps, any large enterprise, which to some extent, was not provided with equipment transported from Leningrad factories. Thus, the Leningrad without exaggeration can be called the ancestor of hundreds of factories located in different regions of the Soviet Union. Actually, due to the equipment and personnel of the Leningrad enterprises was laid the infrastructure of the entire Soviet economy during The Great Patriotic war. Despite the fact that a significant part of machines and other vehicles since 1944, began to return to Leningrad, a lot of it remained in new locations. In addition, despite the return of equipment to Leningrad, the very fact of his stay for several years in other cities of the Soviet Union gave a powerful impetus to the development of local industry in the regions of the country.

Institutions of socio-cultural sphere of the economy also played a significant role in creating the largest intellectual, educational, medical and cultural centers in many regions of the USSR. Among the many examples was the example of the Leningrad State University named by A. Zhdanov, relocated during The Great Patriotic war in Saratov. Thanks to the creative cooperation of scientists of the Leningrad and Saratov, a city on the Volga has received a powerful impetus for the development of science and pedagogical activity. It is important to note that in this case, as in others, like it, was carried out an effective process of mutual enrichment of scientists and teachers of the two universities. In particular, the staff of LSU, returning to Leningrad, gained experience of the Saratov scientific school, which had a positive impact on the activities of the Leningrad state University (Avrus, 2009; 2011).

Throughout the period of The Great Patriotic war Leningrad, as the economic and financial center, was not considered by Soviet leadership as a region, that was not able, due to the conduct of hostilities, to participate in the formation of gross domestic product, aimed at the creation of the military potential of the country. It was, like other rear regions of the state, an active participant in the economic development of the state.

In July 1942 by decree of the Military Council of the Leningrad front about the measures ensuring the transformation of Leningrad in a military town, was approved the list of existing enterprises under Union-Republican jurisdiction in the amount of 170 units. All other enterprises were converted to conservation. In the named ruling of Military Council, it was said: "We need to restructure the work of the Leningrad industry, municipal services, and individual agencies in relation to problems of defense, leaving a minimum of operating companies, supplied with power, and reallocate labor between sectors of the economy." This minimum included companies that manufacture ammunition and weapons (Central State Archive of St. Petersburg [Hereinafter – the Central State Archive of St. Petersburg]. F. 4965. List 3. D. 82, p. 4).

In the first 6 months of the war, in conditions, when because of the mass evacuation of equipment and engineering and technical the personnel production capacity of "specialized defense industry of Leningrad fell by 48.7 per cent" (Central State Archive of St. Petersburg [CSA of ST. Petersburg] F. 4965. List. 3. D. 36, p. 5), the city continued to remain a major economic center, producing a wide range of military products. As noted by A. R. Dzeniskevich, "since the beginning of the war until the end of 1943 the Leningrad industry gave the front 836 1346 new and repaired tanks, 150 heavy marine guns, more than 4.5 thousand units of ground artillery of various calibers, over 12 of machine guns, more than 200 thousand machines, millions of artillery shells, the fuses of various types, a large number of radios, field telephones, different type of devices and apparatuses. Leningrad shipbuilders have built 407 and repaired of about 850 ships of different classes" (Dzeniskevich, 1998, p. 229-230).

From June 1941 until May 1945, Leningrad not only reduced, but also significantly increased its agricultural potential, being largely self-sufficient in agricultural products, which gave the opportunity to provide food not only for citizens, but also for soldiers of the Leningrad front and the Red Baltic Fleet. This, in particular, acknowledged the information contained in the report of the food Commission of the Military Council of the Leningrad front about the trade and public catering in Leningrad in the period from 22 June 1941 to 1 April 1943 (Zotova, 2013), as well as materials of the planning Commission of Executive Committee of the Leningrad city Council (CSA of St. Petersburg. F. 2076. List. 4. D. 94. L. 45, p. 45). During the war and siege directly in Leningrad there were more than 20 farms and more than 400 (and at the beginning of the siege more than 600) households. In Leningrad, according to official data, more than 225 thousand people were engaged in gardening. It all contributed to sowing about 12 thousand hectares of land in the city, achieving a harvest equal to almost 106 thousand tons of vegetables per year (CSA of St. Petersburg. F. 2076. List. 4. D. 94. L. 45, p. 45).

Fair should be considered the statement that in the midst of fighting, the people of Leningrad have created a number of economic projects aimed at the long term outlook (the project for agricultural development, educational projects, research projects, socio-cultural projects, etc.).

In October 1943, by the land Department of the Leningrad Executive Committee was developed a project for the development of agriculture of suburban area of Leningrad from 1944 to 1948. Its main idea was due to the city's economic potential to provide the citizens of Leningrad with high-quality agricultural products. The project was not implemented, but this did not speak about it being ineffective. Rather, it confirms the mismanagement of the leaders, who were not able in peace to carry out economically viable projects created in the difficult conditions of war and proven by practices of the siege.

During the Great Patriotic war and, in particular, during the siege on Leningrad enterprises were developed new technologies that allowed to produce products, which had not existed in the world. Evidence – release in Leningrad of the best medium tank of WWII – T-34 tank, radar stations, having no analogies in Germany, the UK and the US, production of equipment for naval and military aviation which tactical and technical characteristics significantly ahead their foreign counterparts and represented military equipment of tomorrow.

Life made Leningrad scientists to use their intelligence to develop all sorts of substitutes, which allowed the citizens to some extent adapt to the conditions of the blockade of famine (Zotova, 2013). Among these substitutes were food equivalents of food products, medical preparations, vitamins, as well as consumer goods – perfume, lipstick, tooth powder, creams, etc.

Experience in the development of new economic technologies in extreme conditions – in the conditions of deconversion and the conversion of company - invaluable now, when there has been a trend towards the revival of the domestic military-industrial complex.

The exclusion of economic and financial potential of Leningrad from total economic and financial system of the USSR in the case of the surrender of the town the enemy would significantly impede the common victory of the Soviet people in The Great Patriotic war. This is confirmed by the economic and financial contribution of Leningrad in the overall defensive capability of the Soviet Union.

In most cases throughout the war the Leningrad economy has completely coped with the implementation of planned activities. Every quarterly or annual development plan of economy and finance of the city was done. Nearly all of the plans were surpassed. A number of indicators had exceeded one and a half to two times or more. This shows the dedication of Leningrad, about the high professionalism of managers at all levels, as well as about the precise actions of the Central office. We should agree with opinion of N. Lomagin, who claimed that "the party organization played an important role in the life of Leningrad: Set the fair rationing of food; organized on a large scale civil defense; the population

was mobilized for harvesting and extraction of peat; organized a variety of 'roads of life'" (Lomagin, 2000, p. 28).

A. Dzeniskevich rightly claimed that from Leningrad to "the mainland" were taken out the best, most modern equipment, and in the town remained mostly old equipment, much of which could not be used for production. The motives of this evacuation strategy is obvious. On the one hand, the government was interested in the speedy and effective launch of new facilities in the rear areas of the country, on the another – the organizers of the evacuation were not certain that Leningrad will be defended.

After a relative stabilization of the situation, when the city though was in the ring of enemy siege, but managed to have effective economy in wartime, evacuation of equipment continued to be provided, since the Leningrad by Central Government until the autumn of 1943 was seen as a productive donor. But this fact did not reduce the high demands made by the state to the sieged city. It did not only survive itself and provide itself, not only was satisfied with modest external support, mainly carried out on Lake Ladoga, but also solved numerous economic and financial challenges aimed at ensuring the Leningrad and Volkhov fronts, and the Soviet Armed Forces in with everything necessary. It was a continuous supply to the front of military equipment, weapons, ammunition, military-engineering equipment, uniforms and food, with which the city provided military units.

The role and financial contribution of Leningrad in the common cause of defeating the enemy is great. Because of the collection of money to the defense Fund, subscription for state military loans, the participation of Leningrad in monetary-ware lotteries, as well as the voluntary contributions of citizens for the war, Leningrad became one of the largest financial segments, which ensured the fighting ability of the Red army and Navy.

# 5. CONCLUSIONS

Assessing the contribution of Leningrad in the economic support of victory of the Soviet people in The Great Patriotic war, important is not only assessment of concrete indicators, but also the stability with which the urban economy aimed throughout the war to the front their products. In addition, after the breakthrough of the siege, many highly qualified specialists of the Leningrad enterprises were aimed to the factories of the country, where they shared their production experience to young workers and specialists, thereby forming a highly professional manufacturing school.

During the war the Leningrad economy has shown vitality and ability to grow in extreme conditions. It has developed new approaches to the realization of its economic activities, reinterpreted and put into practice the ideas of high value-added industry.

Economics and finance of Leningrad in 1941-1945 became a worthy page of the struggle of the Soviet people with the enemy for the sake of Victory in The Great Patriotic war.

#### 6. ACKNOWLEDGMENT

The paper was developed with support from grant of President of Russian Federation for state support of young Russian scientists-candidates of Sciences (Agreement dated February 16, 2015 No. 14. W01.15.6540-MC).

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