

Lenin Announces the NEP

"...The most urgent thing at the present time **is to** take measures that will immediately **increase** the productive forces of **peasant farming**. Only in this way will it be possible **to improve the conditions of the workers and** strengthen the alliance between the workers and peasants, **to strengthen the dictatorship of the proletariat...**

This cannot be done without a serious modification of our food policy. Such a modification [effected by NEP] was **the substitution of requisitioning by a proportional tax** in kind [i.e., handing over a fixed proportion of the grain, and keeping the surplus to sell], which implies free trade...

The tax in kind [tax in the form of grain, not money] is one of the forms of transition from that peculiar **"War Communism,"** which we were forced to resort to by extreme want, ruin and war, to the proper socialist exchange of products. The latter, in its turn, is one of the forms of transition from Socialism, with the peculiar features created by the predominance of the small peasantry among the population, to Communism.

The essence of the peculiar "War Communism" was that we actually **took from the peasant,** all the surplus grain - and sometimes even **not only surplus grain, but** part of the **grain the peasant required for food - to meet the requirements of the army and sustain the workers...It was a temporary measure. The correct policy** of the proletariat which is exercising its dictatorship in a small-peasant country **is to obtain grain in exchange for the manufactured goods the peasant requires...**only such a policy can strengthen the foundations of Socialism and lead to its complete victory...

The effect will be the revival of the petty bourgeoisie and of capitalism on the basis of a certain amount of free trade (if only local). This is beyond doubt. It would be ridiculous to shut our eyes to it.

The question arises: Is it necessary? Can it be justified? Is it dangerous?...What is to be done? Either to try **to prohibit entirely**...all development of private, non-state exchange, i.e., trade, i.e., **capitalism**, which is inevitable amidst millions of small producers. But such a policy **would be foolish because such a policy is economically impossible. It would be suicidal** because the party that tried to apply such a policy would meet with inevitable disaster. We need not conceal from ourselves the fact that some Communists sinned...in this respect... We shall try to rectify these mistakes...otherwise things will come to a very sorry state.

A wise Communist will not be afraid of learning from a capitalist (no matter whether that capitalist is a big capitalist...or a little capitalist-co-operator). **Did we not in the Red Army** [which was partly created from officers and men of the old tsarist army] **learn** to catch treacherous military experts, to single out the honest and conscientious, and on the whole, to **utilize...tens of thousands of military experts?...We shall learn to do the same...**with the...little-cooperator capitalists, **with the entrepreneurs...**



The NEP

Lenin's Actions

- Tukhachevsky and Trotsky have masterminded an assault upon the Kronstadt Naval Base in 1921 which crushed the rebellion, but it was a close-run thing.
- Lenin has compared the communist state to a man "beaten to within an inch of his life" and, describing the Kronstadt rebellion as "the flash which lit up reality better than anything else" has decided to replace War Communism with the New Economic Policy (NEP).

Task

Comrade Lenin will read out his new policy. As a politburo, discuss your answers to the following questions:

1. What are the main provisions of NEP?

2. How does Lenin justify NEP:

(a) Economically?

(b) Ideologically?

3. If you were going to express your approval of this new direction as a percentage, what would it be? Explain.

4. Which policy is the most "communist": War Communism, or NEP?