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A New Approach to Retailing and Consumption

The Campaign for Soviet Trade

I must say that we have really magnificent stores now, both in design and contents. The meat, fish, vegetable, and delicatessen departments are stocked with a wide assortment of high-quality goods. They can be a bit off, but even then only occasionally. But there's plenty of poultry, mutton and fish, with a lot of variety. Lots and lots of canned goods of all kinds, the likes of which we had never heard of before.... Of course I wouldn’t want to say that the stores in Moscow look luxurious, of course not, except the so-called model stores, but in any case over the past 20 years the stores have completely changed and are now unrecognizable. All of them without exception, especially food stores, are clean and orderly, and all the clerks wear white smocks.... In general people do buy a lot.... When you recall the first years after the revolution and the way things were back then, it’s just exhilarating to think that all this has been achieved in just 20 years.¹

Excerpt from the diary of Galina Vladimirovna Shtange, member of the Soviet intelligentsia, December 1937

Galina Shtange’s comments offer a window onto the retail situation in Moscow only six years after the new program of Soviet trade became official policy. Even if Shtange’s shopping experience would have seemed fantastic to many Soviet citizens, whose own dingy shops usually had a limited selection of poor-quality merchandise, and even if those familiar with the “magnificent” stores Shtange describes might have disagreed that “in general people do buy a lot,” her observations provide a useful snapshot of the government’s attempt to deal with the consumer crisis of the late 1920s and early

A. E. Randall, The Soviet Dream World of Retail Trade and Consumption in the 1930s
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1930s. Shtange depicts an imperfect but nonetheless transformed retail landscape made possible by the regime’s campaign to establish “Soviet trade.”

The Stalinist regime’s endorsement of Soviet trade in the 1930s was not preordained. As Communist leaders moved away from the NEP-era mixed economy in the late 1920s and essentially destroyed the formal private retail network, the future of Soviet retailing was unclear. There was no grand design for organizing a domestic economy in a socialist system. Economists focused on the failings of capitalist systems “instead of on an economic theory of socialism.” As one noted, “little” work had been done regarding “the theoretical realization of the peculiarities of the Soviet economy.” Although most Bolsheviks presumed that “product exchange” and “distribution in kind” would be central to a fully developed socialist system, there was little agreement about when or how those features would be implemented.

Nonetheless, as the formal private retail system collapsed in the late 1920s, many Soviet leaders hoped that money and retailing would soon be replaced with a new “socialist” direction for the domestic distribution of goods: a moneyless system of planned commodity transactions. A government decree in February 1930 appeared to confirm this direction, referring to an upcoming transition “to planned socialist product-exchange.” Economists emphasized the need to replace retailing with distributive operations and a nonmonetary system. In November, authorities reorganized the People’s Commissariat of Foreign and Internal Trade into the People’s Commissariat of Supply (Narkomsnab) and the People’s Commissariat of Foreign Trade. The decision to call the new domestic-oriented agency a commissariat of supply rather than of internal trade underscored the regime’s profound ambivalence about retail trade, suggesting its future abolition. Yet in 1931 Soviet leaders rejected what had seemed to be the favored direction – the imminent transition to a moneyless system of commodity transactions – for a new direction: the development of a “socialist” retail system that they called “Soviet trade.”

The official endorsement of Soviet consumerism in the 1930s, which accompanied the campaign to develop socialist retailing, was also far from inevitable. During the 1920s the Communist leadership had largely dismissed consumerism as self-indulgent and anti-Soviet, and in the drive for rapid industrialization during the First Five-Year Plan (FYP), it emphasized sacrificing consumption on the altar of industrial progress. But in the early 1930s, the regime began to move away from an emphasis on asceticism and to shift the balance between consumer