**HISTORY 4TH SEMESTER HIS 403 UNIT IV: RUSSIA**

Industrial Revolution in Russia: A Brief Introduction

The 19th century saw the rise of an industrial Europe. New sources of energy were discovered and harnessed to power new machines. This led to the mechanization of agricultural and industrial processes and the production of enormous quantities of food-grains and consumer and capital goods. It saw an evolution in communication and transportation too, allowing once isolated areas to become connected with the nerve centres of national, and even international, economy. New, major, cities rose and flourished as production and transportation provided the wealth necessary for them to develop. Briefly, all this marked the transition from a medieval, feudal, subsistence, petty, agriculture-centric economy to a modern, capitalistic, market-oriented, large, industry-centric economy. It occurred first in England in the late 18th century, and then in Continental Europe at various points of time in the 19th century. The impact of such a phenomenon was felt outside of Europe too, especially in the United States and Japan. Russia, despite being the largest country in the world was, however, among one of the “late-comers” to the industrial world. But in 1890s, roughly a decade before the turn of the century, it would begin to catch up with the west in a modest but rapid phase of industrialization, known to many as the Great Spurt.

Russia was the biggest power that lay across two continents. Stretching from Poland and then towards the east, occupying the vast cold tundra of Siberia, and finally to the warm coast of the Pacific Ocean. Its lands were rich in natural resources. Its fertile lands were suitable for wheat, the mountains contained lots of minerals, and beneath lay vast oil fields. But even by the late 1880s, most of these resources were not widely exploited. Even during this period, Russia continued to be a backward nation compared to Germany and even Japan. The bleak vastness of the empire, the numerous but scattered rural settlements, an under-developed communication-transport system, its massive but grossly outdated armed forces, all these made Russia a power of the past. Russia remained a great nation only in size, but economically, politically, and militarily, it fell way behind the western European nations all who were its contenders in the continental political arena.

Industrialization, therefore, was the key for Russia to maintain its position as a major power. With industrialization, its peasants and former serfs could find new source of livelihood, for instance, work in the modern factories. Development of natural resources and harnessing its potential could become bargaining chips in for favour and concessions in the diplomatic stage. Lastly and most importantly for Russia, the military implication of industrialization was huge. It would be the basis of the development of new weapons capable of matching their counterparts in the west. Mass production would result into a creation of larger armies. And larger armies meant respect and influence during those times. Industrialization began to be seen as essential to survive by the ruling house of Romanovs, especially when during the Crimean War (1853-56), Russia was defeated on by foreign powers on its own soil. Hence, steps like the Emancipation Edict of 1861 that intended to free the serfs immediately after, and the building of the Trans-Siberian railway line from Moscow to Vladivostok (1861-1916).

The Emancipation Edict of Czar Alexander II was announced as an agrarian reform, a prerequisite of modern industrialisation. This is what happened in western Europe – an Agricultural Revolution had preceded and accompanied the Industrial Revolution, each mutually benefiting the other. However, in Russia it was more of a political ploy, in the face of the Crimean defeat, intended to keep the discontent peasantry from revolting, thereby keeping intact the existing socio-economic and political position of the royal house and its aristocratic allies. Hence, the Edict freed the peasants only in law, but because they were saddled with the onus to pay freedom-money to their erstwhile masters, they continued to wallow in their rural-agricultural misery as before. The village community, *mir*, was entrusted with the authority to collect and pay the redemption-money of individual peasants Hence, they remained tied to land, they could not leave the villages for search of better livelihood, and they continued to be too poor to bring about any change in agriculture. Hence, this agrarian “reform” did not produce what agricultural Revolution had produced in the western countries: a large peasant-consumer class, a demand for industrial products, a new industrial labouring class and so on. Russia had to wait till the 1890s for the “Great Spurt”.

Michael von Reutern, the Prime Minister, 1862-1878, attempted to boost Russian economy by reforming the treasury. He abolished tax farming, and increased indirect taxation. His policy was to reduce import duties, thereby increasing trade and encouraging foreign investment. Trade encouraged new enterprises. There was industrial expansion too, especially in oil-extraction and coal-mining. Expansion industrially. Oil extraction began. Coal mining set up. The Russian economy remained weak, nevertheless, mainly because the chief state expenditure was on debt-repayment.

Ivan Alexeyevich Vyshnegradsky, the Russian Prime Minister in the period 1887-1892, imposed prohibitive import tariffs to encourage home production. This helped the iron and machinery industries, especially. He negotiated loans from abroad and took the drive to export grains, both intended to overcome shortage of capital in Russia. However, the grain export drive was done at the expense of peasantry; the country was left with no grain reserves and it resulted in the Great famine 1891-92.

In 1892, a new finance minister took office and under his supervision, Russia embarked upon rapid industrial growth. Witte, who knew well the importance of industrialization, launched a series of reforms and policies that would expand Russia’s industrial capability. He enforced high tariffs on imports in order to protect young and new local industries. He led the government into an active participation in the economy in order to industrialize the Russian Empire. He was also responsible for Russia’s massive borrowing from abroad in order to obtain the needed new technology from European countries. In order to promote exports to neighbouring countries, in 1896, he launched a radical currency reform, which change the Russian rouble from silver standard to gold standard just like its neighbouring currencies. And also, he was among the masterminds of one of the longest railroads in the world, the Trans-Siberian railway.

Much of the advancement of Russian industries was the massive influx of new technologies from abroad. New technologies either came from government borrowing from Europe or from private initiative, through foreign investments to Russia. In the 1890s the Russian economy saw a huge influx of foreign investment amounting to almost 4 billion dollars. Much of this was directed towards railways, mining, and processing. Prominent investors were Siemens and Halske, which establish a factory for electric motors, and Nobel Petroleum Company which invested in Baku for processing of oil to kerosene. Another way of acquiring new technology was through loans. The Russian Imperial Government took loans in order to import machines and other industrial materials.

With the importation of new machines and foreign investments, different regions developed. St. Petersburg and Moscow grew with factories being established increasingly. Ukraine became the centre of the coal mining industry. Modern steel plants flourished along the course of River Don. And in the Caucasus Mountains, the oil industry took roots.

Working conditions, however, were dismal. Russian workers worked more than 11 hours a day for very low wages. Low pay and long work were exacerbated by terrible working conditions. Equally unjust was the fact that workers could not voice their complaints because workers’ unions were illegal in Russia. Indeed, it was this situation that resulted in the easy mobilisation of the Russian proletariat during the Revolution of 1917.

Another engine for the industrial growth in Russia were educational institutions. In the 1860s, St. Petersburg Technological Institute was reorganized to cater to the needs for modern science and technology of modern industries. In the following decades, new polytechnic schools also were established in different cities. In 1862, the Riga Polytechnical Institute was established. It was followed by the Kharkov Polytechnical Institute in 1885. The 1890s saw the rise of many new polytechnical institute that would help Russia catch up with the west. In 1898, the Kiev and Warsaw Polytechnical Institutes were formed. And in 1899, Minister Witte, along with the renowned chemist Dimitri Mendeleev, founded St. Petersburg Polytechnical Institute. The institution focused on teaching the modern sciences such as electronics, shipbuilding, and metallurgy.

The result of Witte’s efforts to progress the Russian Empire were rapid as well as remarkable. Transportation and communication throughout the Empire expanded. In 1891, the mileage of railroads was just 19,510; but only a decade later, it jumped to 33,270. An important factor in this increase was the continuous construction of the Trans-Siberian Railway that was completed in 1905. Telegraph lines expanded their coverage five-fold in this period. Another expansion was on the production of industrial materials. Coal production was 5.9 million tons in 1890; but only a decade later, in 1900, it was 16.1 million tons, an increase of almost 300%. Pig iron production 1890 was 0.89 million tons, but in the same period it grew to 2.66 million tons. Same could be said for oil production; in 1890, it was just 3.9 million tons, and in 1900 it jumped to 10.2 million tons. Another sector that saw expansion was exports. In 1880, the amount of exports of Russia was just about 400 million Roubles. But by 1913, it had grown to 1.6 billion Roubles. The growth of transportation, production, and exports, were not without cost however. Government debt grew because of Witte’s policy. Foreign and state involvement in the economy also grew. But industrialization of Russia was not enough to advance Russia as it had done in the West.

Witte attempted to reform and raise agricultural prosperity along with industrial development but it cost him his post in 1903, when the landed nobility was threatened by his plan.

The last decade industrialization of Imperial Russia – known as the Great Spurt – was a moment that would define Russia in the early 20th century. It revealed Russia’s intention of rapid economic advancement to catch up with other European powers. But it also showed the lack of the Russian royalty and aristocracy to adopt to changes quickly, especially, when it was the last power to industrialize. Another importance of the Great Spurt and Witte’s effort was the creation of a Russian working class or the proletariat. With the prevailing conditions back then, workers were badly treated, which cause resentment. This resentment became the catalyst for the rise of communism and ultimately, the birth of the Union Soviet Socialist Republics or USSR.

*References:*

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*Questions (probable):*

1. Why was Russia a “backward” country even in the middle of the 19th century?
2. What were the political implication and economic impact of the Emancipation Edict of 1861? (4 marks)
3. Briefly review Witte’s economic reforms? How did it impact upon the economy and political situation of Russia? (8 marks)

Gautam Chando Roy

History Department,

Vidyasagar University