Wealth in the Soviet Times: the Material World of the Ukrainian Economic Elite of the 1920s–1930s*

Bogactwo w czasach radzieckich: wymiar materialny życia ukraińskiej elity ekonomicznej w latach dwudziestych i trzydziestych XX wieku

ABSTRACT

The purpose of this research is to investigate the material world of the Ukrainian economic elites in the 1920s–1930s. The turn to the Communist ideology caused the transformation of the state’s and society’s attitude towards everyday life and the world of things. In those circumstances, wealth and luxury as characteristic features of the material world of any elite should have also lost their relevance. The material world of the Ukrainian economic elites under NEP and early Stalinism kept all signs of belonging to the higher social strata. Thus, the main objects of this research are two groups of the Ukrainian economic elites: private entrepreneurs and managers of state industrial companies, ‘nepmen’ and Soviet ‘red directors’ respectively.

It is necessary to find out what were the features of wealth in Soviet times. Some other important issues arise: what the material world of the Ukrainian economic elite was during the 1920s–1930s; what the difference in the position of its various representatives was; what kind of goods ‘created’ the elitist everyday life for entrepreneurs and directors of the Soviet industry; whether it is possible to create a sort of formula of wealth in the Soviet times in the interwar period.

In fact, the personal and social identity of the economic elites in the 1920s–1930s was shaped by the possession of a certain set of goods and services that emphasized the status of their owners. Some researchers, on the contrary, suggest paying attention to the immateriality as a key feature of the Soviet project as a whole. That is why the prosperous consumer groups of Soviet society could be an interesting and controversial field of research, which can lead to understanding how the ideals of equality were implemented in practice.

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During the 1920s and 1930s, the social class of the Soviet economic elite and its consumer culture were formed. Both for ‘nepmen’ and ‘red directors’ things had the same material value. However, the acquisition of wealth by those two groups of the economic elite took place in a different way. While private traders bought certain material assets, the Soviet managers received them, mainly through a system of state distribution for workers or through social benefits. As a result, their consumer basket included not only things of everyday consumption, but also more durable items such as real estate, vehicles and other property.

To summarize, the material values, symbols of luxury and wealth, were extremely valuable for the economic elites of the 1920s–1930s. It was one of the reasons that differentiated them from other strata of Soviet society. Their consumption had statutory and demonstrative features. It was the period when shortage and closed distribution of goods transformed usual everyday things into luxury items that were available only to the higher layers. In fact, the priority of wealth as the characteristic feature of the elite led to the formation of a privileged group of Soviet society, based on the ownership of property and goods.

Key words: consumption, everyday life, material world, economic elite, ‘nepman’, ‘red director’, Soviet Ukraine

INTRODUCTION

When the Bolsheviks came to power, it caused the change in ideology in post-imperial space and, consequently, led to a transformation in the attitude of society and the state to everyday life and world of things in general. On a daily basis, it required reconsidering of the basic values which, until recently, used to be characteristic for some social groups or individuals. The Bolshevik ‘transformations’ during 1918–1921 accompanied with the nationalization of enterprises and, speaking the language of that time, ‘expropriation of property’ reflected the attitude of the Soviet authorities to wealthy layers of society. In the new Communist reality, wealth and luxury as characteristic features of the material world of any elite should have lost their relevance. The equality of all working people in terms of means of production, according to Karl Marx, was not reached either during the period of the new economic policy (NEP) with its controlled versatility nor in the 1930s and the following decades of the Soviet history. On the other hand, the controversy of the material world of the Soviet Ukrainian economic elite consisted in the fact that, in spite of ideological struggle of the state against wealthy social strata, they managed to provide and preserve high standards of living. To maintain their social status, they used goods and services as social benefits, which does not meet their utilitarian needs. To characterize such type of consumer behaviour

\[1\] А.Г. Баханов, Двойственная природа престижного потребления: социологический анализ, ‘Социологический альманах’ 2013, 4, p. 248.
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Thorstein Veblen introduced the term ‘demonstrative consumption’ as a function of social status and respect in his work ‘The Theory of the Leisure Class’\textsuperscript{2}. Similar traits of consumer behaviour, analysed in our further research, were characteristic for the Ukrainian economic elite in the 1920s–1930s.

The main objects of this research are representatives of the economic elite of the NEP period, the so-called ‘nepmen’, and managers of the Soviet plants and factories in the late 1920s–1930s, the so-called ‘red directors’. Due to market collapse in the late 1920s and state-controlled economy establishment, key reins of power in the economy were transferred from private entrepreneurs to managers of plants and factories. The latter ones, despite not being the owners, had access to economic resources distribution.

Therefore, consumption of the wealthiest group of the Soviet society is an interesting and controversial issue to analyse, as it shows how ideals of people’s equality, struggle against ‘bourgeois’ and its manifestations in everyday life were implemented in practice. That is why it is necessary to define what the peculiarities of the Soviet wealth used to be; what the material world of the Ukrainian economic elite used to be in 1920s–1930s; what kinds of goods ‘created’ everyday elitism of great NEP entrepreneurs and directors of big enterprises; whether it is possible to elaborate some specific formula of wealth, in the Soviet way, in the interwar period, the NEP period and in the period of early Stalinism.

\section*{The Soviet Ideology and the Concept of ‘Wealth’: Peculiarities of Coexistence}

The term ‘fetishism of commodities’ was introduced into scientific terminology by Karl Marks, one of the Communism ideologists, in his analysis of consumption in the capitalist society. He explained ‘microanatomy’ of the bourgeois system via the existence of some goods in it, which have some specific power over consumers, some magic qualities which influence an increase of demand. Moreover, the possession of this kind of goods emphasized the social status of the owner\textsuperscript{3}. That is why in the Soviet reality with its commodity shortage and long queues the possession of expensive or inaccessible goods was associated with belonging to the higher social layer.

\textsuperscript{2} Т. Веблен, Теория праздного класса, Москва 1984, p. 113.
'The main and directive’ role in the formation of new values in the process of consumption was played by the Communist ideology, which helped to create ‘a new Soviet personality’ ready to sacrifice individual values for the sake of the welfare of society. In other words, mass consumption was aimed not at meeting individual needs, as it was in capitalist societies, but at social and collective progress. Under such conditions, the concept of ‘deficit/shortage’ and regular limitations of consumption rates of both grocery and manufactured goods were stipulated by the Soviet authorities as a necessary contribution to the development of Socialism. In their speeches, the Soviet Union authorities drew attention to the temporary character of problems with goods supply, their connection to economic reasons exclusively, namely, to the improvement of financial situation and growing demand. Using the means of ideological propaganda, the Soviet authorities sharply and ruthlessly criticized consumption of entrepreneurs of the NEP period, the so-called ‘nepmen’, and waged war against ‘luxury’.

In the early 1930s social asceticism and proletarian culture, earlier advocated by the authorities, were radically transformed into industrial fetishism, characterized with possession of high-quality, luxurious goods, brand new goods of the Soviet light and food industry, following trends in fashion. The industry started to produce more commodities for the average consumer, so they had access to and could consume more goods and services. Jukka Gronov claims that in the mid–1930s the new hierarchy and new system of social order appeared, which allowed and contributed to a more hedonistic and individualistic lifestyle. This individualism in consumption created the new Soviet economic elite, who had access to limited and rationed resources. Besides, it is important to take into account controversies between consumption problems and realia of the Ukrainian society life of that period, connected to the Holodomor. The Ukrainian context was heavily influenced by the forced industrialization, shortages of goods, rationing, and the severe hunger of the early 1930s, which should be analysed as an exception from the Soviet ideological canon of wealth and luxury, created by the Bolshevik authorities by means of propaganda. Therefore, in order to understand what wealth and luxury used to mean for the Ukrainian economic elite and what their attitude to material values

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6 Е.А. Осокина, За фасадом «сталинского изобилия». Распределение и рынок в снабжении населения в годы индустриализации, 1927–1941, Москва 1999, p. 11.
was, the peculiarities of the economic and social life of the 1920s–1930s should be taken into account.

In the theory of consumption theory, the issue of wealth is one of the key problems, but mainly, attention is focused on luxury items, while the so-called luxury services and luxury experiences, which are unique for every consumer, are ignored. Arjun Appadurai recommends taking into account the role of luxury items as social markers, claiming that their principal use is rhetorical and social. Modern scholars also tend to accept this point of view, they argue that luxury items provide their owners with prestige, but not with functional usability. Obviously, possession of luxury items is symbolic consumption, a way to demonstrate one’s wealth or status. There exists another opinion that true luxury consists of its unique, rare character, or no possibility to get it for the majority of people. Applying such understanding of the concepts of ‘Wealth’ and ‘Luxury’ to the research of the Ukrainian society in the Soviet times allows analysing issues of consumption and material status of people in the period of Stalin modernization from a new perspective.

So, while studying the peculiarities of the Soviet authorities and society’s attitude to wealth as a feature of prosperity, it is important to analyse the construction mechanisms of the Soviet identity, values and norms of society that have been established via new practices of consumption. Research on economic life, ideology and everyday life of a person allows defining regularities of co-existence of public and private spaces of the Soviet society. On the other hand, the study of Soviet society consumption history presupposes the analysis of the ideological philosophy in terms of consumption and consumption practices. Moreover, modern scholars suggest that these issues should be studied from the broader perspective and tend to consider that the nature of material culture and everyday life is political, especially when it comes to the social identities and evolution of social groups.

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Therefore, materiality and its co-existence with socialist reality are the main objects of this research. In fact, the personal and social identity of the economic elite in the 1920s–1930s was formed due to possession of goods and services that emphasized the status of their owners.

HISTORIOGRAPHY OF THE WEALTH AND LUXURY IN THE SOVIET SOCIETY AND CHARACTERISTICS OF PRIMARY SOURCES

Elaboration and attempts to conceptualize consumption as the theoretical and practical issue of the Soviet society functioning originate from the times of the Soviet power establishment. A detailed study of this problem requires special scientific research, therefore, in this investigation, it is worth focusing on modern researchers’ of the Soviet social history studies\textsuperscript{14}, which works contributed to the historiography of the everyday life and consumption of the first half of the 20\textsuperscript{th} century.

The Soviet historiography focused on the analysis of peculiarities of illegal, underground activity of the NEP economic elite, sources of its wealth and prosperity\textsuperscript{15}, emphasizing on the issues of ‘fight’ against it\textsuperscript{16}. In the researches of that time, there were many synonymic definitions of industrialists and merchants, each of them having an absolutely negative ideological connotation. Among the most common names, there were the ones like ‘nepmen’, ‘the new bourgeoisie’, ‘capitalist elements’, ‘private capital’, etc. The theoretical-methodological instrumentarium available at that time did not contribute to comprehensive research of the nature of ‘the new bourgeoisie’ wealth. In the late 1980s, during the market experiments in perestroika the attention of foreign scholars to the NEP in the USSR greatly increased. Alan Ball focused on the ‘nepmen’ as the last capitalists


\textsuperscript{15} И.Я. Трифонов, Классы и классовая борьба в СССР в начале нэпа (1921–1925 гг.): в 2-х ч., Ленинград 1969.

\textsuperscript{16} И.С. Кондурушкин, Частный капитал перед советским судом. Пути и методы накопления по судебным и ревизионным делам 1918–1926 гг., Москва–Ленинград 1927; В.А. Архипов, Л.Ф. Морозов, Борьба против капиталистических элементов в промышленности и торговле. 20-е – начало 30-х годов, Москва 1978.
in the Soviet society, in which he described peculiarities of industrial and trade entrepreneurship in the 1920s from the perspective of economic history. Modern Ukrainian and Russian scholars contributed greatly to the elaboration of this field, which resulted in the detailed analyses about the peculiarities of the ‘nepmen’s image in the public consciousness and characteristic features of their everyday life. In addition, it is important to mention about the lack of scientific studies about the ‘nepmen’ as consumers.

The same situation was with the other group of the economic elite of the following decade, the ‘red directors’, material world of which was not presented in the historiography as well. In the ‘society of total equality’ the narrative about this group of wealthy strata, except for the NEP entrepreneurs, could not be constructed by the Soviet historical science. Consequently, in the mid-1950s, foreign scholars were the first to focus on these issues. Taking into account the importance of the Soviet industrial elite, they singled it out into a separate sphere of scientific research. In the early 1990s, this topic was analysed by Hiroaki Kuromiya in his study about managers of the coal industry in the USSR which was based on the example of Donbas. He focused on the complicated situation they got into due to the accusations of ‘sabotage’, ‘counter-revolution’, ‘wrecking’ and repressions and, moreover, were turned into new ‘class enemies’ of the Soviet society and got the negative image among the miners. In his other work, Kuromiya has analysed political and ideological peculiarities of transformation in the social perception of management and ‘specialists’ of mining industry, which was influenced by the conditions of their everyday life and the gap in their financial status and one of the

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22 ‘Specialists’ (‘spetsy’) are experienced engineers used to work in pre-revolution times, who were invited to work at plants and factories by the Soviet authorities due to the lack of qualified specialists, while at the same time they were still considered ‘counterrevolutionaries’ and supporters of the old regime.
workers. Among more recent studies worth mentioning is the analysis of the biography of the Ural plant’s ‘red director’ at the late 1920s, which is interesting and valuable for constructing the collective portrait of the Soviet industry managers, although for the analysis of their material world this work is not informative. The same concerns are about the research on the establishment of the separate group of the managers of the Ural industry in the late 1920s–1950s.

Thus, despite the fact that there were a number of studies on entrepreneurs and the ‘red directors’ as representatives of the economic elite in historiography, their financial status and consumption practices have not been investigated. Applying the methodological instrumentarium of the new social and economic history in combination with interdisciplinary methodology allows to study the luxury and wealth in the in the early Soviet period and during Stalin modernization from the diverse perspectives.

However, besides the abovementioned possibilities, this tasks are complicated due to the specificity of the reference base. As the Soviet authorities highly criticized the ‘nepmen’s’ consumption habits, there were various reference sources about their origin and typical features, such as record keeping papers of authority bodies which the financial status of entrepreneurs. The social image of the ‘new bourgeoisie’ was also discussed in the works of the Ukrainian and foreign writers of the 1920s–1930s.

Periodical press, in its turn, used to regularly ridicule at and expose the ‘nepman spirit’, hostile to the Communist society, being built at that time. Analysis of the peculiarities of ‘the red directors’ consumption is complicated by the fact that the topic of the privileged social groups in the social discourse was almost forbidden to discuss, while the main focus was on workers’ issues. While working on this research, we have not found any special documents about the conditions of food and goods supply of the enterprises’ directors in the archives, which may prove that authorities were not eager to confirm their elitist position at the official level.

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26 In particular, the author has worked in the following funds of the Центрального державного архіву вищих органів влади України [hereinafter: ЦДАВО] f. 1, Все
THE ‘NEPMEN’ WORLD OF THINGS: BETWEEN WEALTH AND LUXURY

The material world of private merchants and entrepreneurs of the NEP period was always criticized by the authorities, they called it ‘bourgeois’ and ideologically hostile to Soviet society. In most cases, the umbrella term ‘nepmen’ means the representatives of wealthy social layers who gained their assets working as entrepreneurs in the spheres of industry, trade and services. Some scholars, however, call merchants ‘strange people’, because they own goods but do not use them, at the same time insisting on their rights to get profit from selling them. A similar statement could also be used concerning owners of industrial enterprises, at whose disposal there were finances, as well as manufactures goods. It shows that their level of wealth may be defined taking into account not only financial funds and material values but also goods. In the period of the new economic policy private merchants used to be not only ‘strange’ but controversial social actors; they used to be in constant emotional confrontation: whether to live in luxury now or to save their wealth for future. Although ideology-driven assessments of private entrepreneurs were quite wide-spread, the point of view of Valerian Pidmohylnyi, a Ukrainian writer of the 1920s, about a merchant is worth mentioning, namely, that he was a coward who was always afraid for his house and shops in which he invested all his life and hopes. Such attitude to one’s own financial status can be explained by distrust to the Bolsheviks’ policy, as they could start property nationalization again anytime, which everyone clearly remembered from the times of the ‘military Communism’. The similar situation is described by Myroslav Krlezha, a Croatian writer, in his memoirs about the trip to the USSR. He supported the Bolsheviks’ ideas but characterized the peculiarities of private entrepreneurs’ financial status:

‘A stocky, plump, medium-height man in a beaver fur coat, who came in a rented car without a taxi-cab… he expressed arrogance and wealth, which he didn’t mean to conceal… When he got on the train in Riga, he was not wearing the beaver fur coat any more. Also, he didn’t have his high-quality suitcases with him, which he had been carrying before. In the compartment he crossed himself before going to sleep … and covered himself with

український центральний виконавчий комітет УРСР; ф. 572, Народний комісірят легкої промисловості УССР; ф. 806, Уповноважений Народного комісірату важкої промисловості СРСР при РНК УРСР.


a raincoat. In the morning he got off the train wearing the black Bolsheviks kosovorotka (traditional male shirt) and rubber boots.  

Being motivated to save their wealth and property, private entrepreneurs could use the strategy of creating the image of a typical citizen. It was one of the strategies of representatives of wealthy social layers behavior, who were trying not to show up in the crowd in the time of economic instability and impoverishment of society. On the other hand, some private entrepreneurs were motivated by the idea of demonstrative consumption and continued living on a grand scale, casting fearful glances at social opinion and careful attention of authorities.

Since the volume of turnover there existed several types of trade patents and different industrial enterprises in terms of the number of their profits, we may claim that the level of wealth of their owners depended on them. Valerian Pidmohylnyi gives a similar example in his novel ‘Misto (The City)’:

‘My father was a small merchant ... He had a friend, they grew up, went to school together. My father traded in iron, his friend dealt with fish. His friend was quite lucky and successful. He built a house in Lypky, a big five-storey one, he became a wholesaler, earned some millions.’

Some private entrepreneurs could hardly earn for their living, while others lived in luxury, which means that the social stratification among them was high. In connection to this fact, it is worth mentioning that the ‘nepmen’s’ world of things was mosaic and quite motley. Nevertheless, the comparison of consumption per capita in merchants families proves that, on average, it was two and a half times bigger than in workers families. So, despite the ideologically constructed social hierarchy, which defined workers and peasants as the driving-force of the society who put in a claim for various social and material bonuses, entrepreneurs created qualitative and comfortable living conditions for themselves.

In their everyday life, private entrepreneurs were surrounded with material values which used to be markers of belonging to a higher social layer, such as: expensive high-quality furniture, clothes, jewelry. During ‘expropriations’, which could be aimed at paying fines, such things were the first to search for and seize. Neighbours and competitors noticed such things at once. Big entrepreneurs often converted their capital in ‘gold pieces (equal to a ten ruble banknote)’, other valuables, currency which

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30 В. Підмогильний, op. cit. [accessed on: 31 I 2018].
31 И.Б. Орлов, op. cit. [accessed on: 31 I 2018].
was the base of their stable wealth. A ‘benevolent’ author of the notice to the State Political Directorate, who denounced illegal unlicensed trade activity of his wealthy neighbour and his family members, provided the information about how his neighbour dealt with his profit:

‘The son of Bernizov, Serhiy Georgiyovych, spent the earned money on ‘gold pieces (equal to a ten ruble banknote)’ and other valuables, I don’t know the exact amount of them, via the net of his ‘speculators in foreign currency’. I know for sure that there were 900 ‘gold pieces’, which were distributed in the following way – 3,000 rubles for his son, 3,000 rubles for his daughter and he left 3,000 rubles for himself’32.

It is obvious that the ideas of having money as the marker of wealth as well as of having connections with the shadow currency markets were rather common in social opinions about the business practices of entrepreneurs in the 1920s. The Soviet authorities used to associate symbols of their wealth with their possession of deficit goods while the majority of citizens were adapting to such conditions. In the press, they were presented as ‘dexterous speculators who became richer making prices higher and higher’33.

Among other ‘solid’ material values of private entrepreneurs, there was a property which they bought in different cities. In fact, it was not wealth to show off, but the way to hide profit from financial authorities and to invest money in the safe market. So, a metropolitan private entrepreneur, an owner of a workshop, had three houses, one of which was situated in Kharkiv, two others—in Luhans and Voronezh, respectively34. Such strategies of behaviour were widely-spread, the scale of financial investment in property depended on the financial capacity of every specific person. Expensive furniture in the house was also an indicator of wealth of enterprising representatives of the NEP economic elite. According to the results of financial inspection, one of the entrepreneurs from Kharkiv, A. L. Meyerovych, bought a house worth 38,000 rubles and furnishing worth 18,000 rubles35. According to Thorstein Veblen, such consumer behavior could be explained by a willingness to maintain or gain higher social status and to demonstrate one’s superiority 36. Owning luxury items, including deficit goods, a wealthy consumer of 1920s tried to stand out among the crowd. On the other hand, such behaviour could be a form of passive protest of the ‘nepmen’ against authorities’ policy. Creating their world of wealth, private entrepreneurs tried to distance

32 Державний архів Харківської області [hereinafter: ДАХО], f. 823, inv. 4, ref. no. 6, p. 117 (Переписка с ГПУ, 1924 г.).
34 ДАХО, f. 823, inv. 4, ref. no. 6, p. 138 (Переписка с ГПУ, 1924 г.).
35 С. Ветлугин, У налогового пресса, ‘Коммунист’ 1923’, 3 August.
36 Т. Веблен, op. cit.
themselves from consumer asceticism, deficit of goods, crisis, queues and cards, which an ordinary ‘builder of socialism’, any worker or peasant, faced with every day.

Besides luxury items and big fortune as typical features of private entrepreneurs’ social status, Kharkiv newspapers also mentioned stories about the servants in their houses, their opportunity to go to restaurants and parks, use services of cab-drivers\(^{37}\), namely, everything which was not typical for the majority of people. During the time of the so-called *proletarization* of everyday life and ideological struggle against the ‘bourgeois remnants’ such striving of wealthy entrepreneurs to surround themselves with comfort and services, unaffordable for workers, seemed to be a demonstrative luxury. Such, wealth, in the Soviet way, for the ‘new people’, who controlled most of the retail trade, small and middle industry until the late 1920s together with private property, meant the possibility to meet their household, social and cultural needs. In such a way usage of expensive and elite services was one of the markers of consumption culture of entrepreneurs in the 1920s. However, under the conditions of tax and bureaucratic pressure, some representatives of the economic elite tried to hide their wealth. Such controversy in the ‘nepmen’ behavior was connected to the fact that they had to continually balance between their own hedonistic desires and social attitude to their image, to adapt to the economic policy of the Soviet state and to increase their richness at the same time.

Therefore, wealthy layers of the society, which were building Socialism and promoting the equality for all people, not only owned luxury goods but also used services, unaffordable for most citizens and had their own experience of utilizing them. Demonstrative consumption of private entrepreneurs may be treated as an attempt to achieve the symbolic status in the society and a desire to establish firmly by means of social positioning while, being ‘non-labour elements’, they were deprived of political rights. The society treated even non-significant wealth of entrepreneurs with exaggeration and contrasted it to the asceticism of an average person.

**MATERIAL BENEFITS OF THE ‘RED DIRECTORS’ AS SYMBOLS OF WEALTH IN THE SOVIET WAY**

Spreading of symbols of wealth and luxury among the Soviet economic elite coincided with exacerbation of social-political situation, purges,

\(^{37}\) С. Ветлугин, *op. cit.*
repression. In such conditions living one’s life on the outside (demonstrative wealth) could end up in destroying not only one’s career but even one’s life. It is rather difficult to find archive documents about special supplies of directors in the first five-year plan of the USSR; while instead the reference base about the provision of workers, strike-workers and *stakhanovites* is representative enough. It is explained by the peculiarities of the social-ideological course of the Bolsheviks authorities, which was aimed at improving the working conditions and financial state of the ‘proletarian masses’ and maintenance of their loyalty. On the other hand, such situation explains the peculiarity of reference base of this research: practically absolute lack of mentions about the creation of the special net of supplies for management of plants and factories in the Party documents and the press.

Industrialization of economy, which started in the mid-1920s, contributed to the appearance of a new social group in the Soviet society, namely, the ‘red directors’, who were in charge of newly-built industrial enterprises, huge plants. Due to launching the course of ‘forced industrialization’ in 1929, the number of industrial managers rocketed together with the appearance of new enterprises. Most of them used to be workers not long ago, some of them used to be officials in different state institutions. Therefore, filling in the forms about their social status they would write that they belonged to the class of workers or officials emphasizing their close relationship with the proletarian masses. They constituted the economic elite who were building new Socialist reality and were the first to get perks of its achievements and success, including visual symbols of a newly-gained status in the form of material goods and services. In terms of goods supply, they were not separated into a specific group of consumers, so we may claim that, in fact, they were associated with the group of workers. On August 23 1931, the decree of *Tsentrosoyuz* (the Central Union of Consumer Societies) of the USSR and the Russian SFSR ‘About the measures to improve the supply of workers of Dniprostal’ was issued, in which the following measures had to be taken: the organization of increased supply of workers of Dniprostal, opening of the closed-type canteens, including the ones which provided varied lunches in terms of quality and price. For ordinary workers from other

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38 See, for example: ЦДАВО, f. 572, inv. 1, ref. no. 145 (Постанови та протоколи засідань колегії НКЛП УСРР про поліпшення побутових умов та робітницького постачання в системі легкої промисловості, 1932 р.).

39 ЦДАВО, f. 806, inv. 1, ref. no. 2699, p. 3 (Характеристика тяжелої промисловості Харківської області, списки директорів і технічних руководителів підприємств).


41 ЦДАВО, f. 442, inv. 1, ref. no. 1, p. 148 (Директиви та розпорядження правління).
cities and regions, such nutritive conditions seemed to be luxury. Thus, it is not surprising that consumption of varied food products of a higher quality became an indicator of belonging to the higher social layer and a symbol of privileged status.

The sources of access to material bonuses for privileged Soviet managers were often connected to specialized closed-type shops. In the early 1930s, the period of active industrial construction, the closed-type distribution centres of goods for ‘engineering and technical staff’ were created. Their necessity was conditioned by ‘increased demands of consumers’ and was explained in the following way:

‘availability of products and goods of ordinary choice, which are supplied in a common way, cannot satisfy the increased demands of these consumers. It is required to supply goods which can not only meet their demands and taste but can also satisfy their household requirements and abilities’42.

Among the goods of such Ukrainian closed-type cooperatives were different fish delicacies, tinned food, cheese, high-quality tobacco, ready-made clothes and linen43. In the USSR there were about 700 centers of elite supply for managers and industry engineers44, which were the main places to get necessary goods. The prices in such centres were usually lower than in other ordinary shops. Such a hierarchy of supplying was a typical example which reflects the social status of a person and a division of Soviet society. The Finnish Communist Arvo Tuominen, describing class practices of goods supply, noted that only in Russia the division of society is openly demonstrated45. Therefore, creating demand or consuming goods unavailable for most people, representatives of economic elite ‘constructed’ their status in society, surrounding it with peculiar symbols of luxury and wealth, providing specific requirements for themselves. It gave them the possibility to make their individual choice much wider than among ordinary workers or officials and helped them to occupy a separate niche in the hierarchy of the Soviet consumers.

Besides getting goods from closed-type distribution centres another common practice was the ‘attachment’ of directors to the chain stores of foreigners’ supply, the so-called Insnab46. As foreign workers and special-

42 ЦДАВО, f. 437, inv. 1, ref. no. 17, p. 78 (Дистування з ЗРК та робкоопами).
43 Ibidem.
46 «Інснаб / Insnab» – the abbreviation in Russian, the full name is ‘Foreigners Supply’, it was used in the 1930s referring to the closed-type chain stores, mainly in big cities, to
ists worked at almost every huge plant, at each big plant there was a distribution center of such type. Among the available goods at these centers were butter, meat, eggs, milk, bread, tinned food, confectionary, a big assortment of clothes. From today’s point of view, it was a common set of goods, a food basket of an ordinary Ukrainian, but until the mid-1930s the access to such goods was a marker of social status. The management of supplying organizations closed their eyes to the fact that managers of enterprises became regular customers of the closed-type shops for foreigners. In fact, such situation constituted kind of social treaty, due to which the ‘red directors’ could get additional social bonuses for their work, which was of a strategic importance during the forced industrialization of the country. The majority of those directors had only several years of working experience at superior positions. The above-mentioned facts confirm that in the Soviet economy the system of supply for the directors of industrial enterprises was not created, while instead this consumer group quickly adapted the rationing system to its own needs and used the network of the closed-type chain stores, which had a big assortment of goods and services.

A director of an enterprise, which manufactured or distributed food and consumer goods, was able to use those resources illegally to satisfy his private needs. For instance, the director of Kremenets woolen-goods factory was accused of ‘self-supply’, that is, unauthorized distribution of goods and supplying himself with the necessary products. Given the scope and breadth of his responsibilities, a manager had the opportunity to use resources, which were centrally received from different supplying organizations. In such a way the ‘red’ economic elite, as well as ordinary citizens, ‘created’ different consumption practices and alternative sources of obtaining goods, which improved their living conditions.

Since the early 1930s, the role of incentives and rewards has grown. While there was a progressive rewards system for workers, administrative and technical staff got incentives for over-fulfillment of manufacturing plans. In such a way the material benefits became an important means of efficient labour regulation introduced by the Soviet authorities, which was especially important for the forced construction of new industrial enterprises. To understand how big the difference between wages and the life-style that the ‘red directors’ could afford was, it is necessary to pay

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48 ЦДАВО, ф. 572, инв. 1, ref. no. 104, pp. 8–9 (Постанови НКЛП УСРР про розвиток текстильної промисловості, 16 березня–21 грудня 1932 р.).
attention to the level of their salaries: for the management of enterprises the salary was 4–5 times higher than for an ordinary worker. For example, the salary of a manager of the Kharkiv Fat and Perfume Trust was 550 rubles, while the shop assistant in the retail outlet of its chain stores received 125 rubles. It is worth mentioning that salaries at heavy industry enterprises were several times higher than at the plants and factories of light and food industry. In such a way financial status became one of the markers of wealth which opened the way to real treasures of the Soviet economy, namely, goods and services.

The 1930s was known not only as the period of forced industrialization, but also for innovations in industry and technology, which had impact on the everyday life. Appearance of new goods and products, as the results of modernization of the economy, transformed them (electric razors or radios, for example) into ideals, difficult to achieve for an average consumer, who got to know about these innovations from daily newspapers. For the economic elite, directors of enterprises and plants, these goods were much easier to obtain and gradually they transformed into the items of mass consumption and welfare symbols. Researchers claim that development of innovations is a characteristic feature of prestigious consumption. In Soviet society, the access to innovative goods became the characteristic feature of elite consumption.

With the development of light industry, the state asked the ‘red elite’ to be well-dressed and to look better than workers. Since the mid-1930s the state officials started to demand it. Sergo Ordzonikidze, the People’s Commissar of Heavy Industry of the USSR, instructed directors of plants in the following way: ‘A white collar and a clean shirt are an essential tool which influences fulfillment of the plan and quality of goods’. In fact, the ‘red directors’ appearance became a marker of their social status.

The economic elite of the 1930s prefers to show off their extraordinary luxury, wealth and access to the deficit and exotic goods only to their inner circle. Their material world was hidden from the majority of people around them, that is why it seemed to be quite typical. It explains why these images of wealth are hardly noticeable for a modern researcher. Despite the conventional shift away from the consumer asceticism in the 1920s and transition to industrial pragmatism in the 1930s, the desire to look

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49 ДАХО, f. 1467, inv. 1, ref. no. 2, pp. 39, 43 (Приказы по тресту Харжет 1934 г.).
50 А.Г. Баханов, op. cit., p. 249.
51 Quote acc. to: Ш. Фицпатрик, op. cit., p. 102.
attractive and to be well-dressed was still often connected with ‘bourgeois
taste’, ‘petit bourgeois luxury’, and distorted attitudes to culture\textsuperscript{53}.

It is possible to find among the sources the memoirs of contemporaries
about the life of the Soviet economic elite. An American worker of Magnito-
stroy recalls the story about a director of the coke and chemicals plant, who
for organizing a pompous party acquired the specific fruits and champagne
in the South of the USSR and invited local musicians\textsuperscript{54}. It is possible to as-
sume that such consumer behaviour might be extended to other directors of
enterprises, as well as understood as a characteristic feature of their every-
day life. In the period of repressions, fondness for luxury and bohemian lifesty-
le as manifestations of demonstrative consumption used to become a key
factor for criminal accusations. In 1937 the director of Dnipropetrovsk coke
and chemicals plant was accused of embezzlement of its director’s fund for
organization of sumptuous banquets\textsuperscript{55}. Similar examples are described in
the abovementioned memoirs, so, even taking into account the unfailing
ideological commitment of the Soviet newspapers, these examples provides
the evidence about the prevalence of the economic elite’s demonstrative be-
haviour. These luxuries particularly disharmonised with the harsh every-
day life of workers, who got bread, clothes or footwear mostly with the help
of the rationing cards in closed cooperatives.

While the majority of the population faced with the housing problem,
there were built the luxury houses for the directors of plants and factories
and provided for them atypical houses of those foreign engineers who
had already left the Soviet Union. In his memoirs John Scott, an American
worker, gives a good example of a unique residential area, ‘Berezki’,
not far from Metrostroy, with cottages and a well-developed territory\textsuperscript{56}. Such methods of creating special living conditions for the managers were
quite common, which confirms the existence of the new economic elite
formation processes. The elite strived to improve and confirm their status
via the access to the sources of supply, benefits and other advantages.

Thus, among the main factors that defined the ‘red directors’ level of wealth
were the particular sources of supply, high salary, access to the centralised
funds of goods supply and distribution of finances, as well as elite housing.

\textsuperscript{53} Центральний державний архів громадських органів влади України [hereinafter:
ЦДАГО], f. 7, inv. 12, ref. no. 692 (Стенограмма заседания руководящих работников-
\textsuperscript{54} Д. Скотт, За Уралом. Американский рабочий в русском городе., Москва–Свердловск
\textsuperscript{55} ‘Звезда’, 3 August 1937.
on: 31 I 2018].
During the 1920s–1930s the Soviet economic elite was formed with the respective culture of consumption, which differentiated the elite from the significant part of the Soviet society by possession and access to material values and services. In the research two groups of the elite, namely, private entrepreneurs of the 1920s and managers of state industrial enterprises, who occupied unequal social positions in the society have been analysed: while the ‘red directors’ had a privileged status, the private entrepreneurs were forced out from the economy of the country via the means of ideological and economic pressure. Referring to the Veblen’s idea about the demonstrative consumption, which, with some restrictions, may be applied to understanding the Soviet specificity\textsuperscript{57}, it has been defined that with the help of various consumption practices the wealthy layers of society strived to dissociate themselves from the ‘ruck’ of the proletarians and peasants. However, taking into account sharp criticism of luxury by the Communist ideology and public opinion, under certain circumstances they tried not to demonstrate their wealth publicly.

The practices of status consumption were a characteristic feature of entrepreneurs and the ‘red directors’ culture of consumption. Their comparative analysis demonstrates that things constituted the same value for both groups. In the conditions of deficit and closed distribution of goods, ordinary things were often transformed into the items of luxury, available for the higher levels of society only. The critical distinction between them was explained by the ways of acquiring wealth. While the ‘nepmen’ used to buy or ‘get’ material values, directors of plants received them using their professional status, personal connections and the ‘hidden lacuns’ inside the state system of workers supply. In such a way, their consumer baskets were filled not only with ordinary products and services but also with items of more prolonged use, such as real estate, vehicles and other property.

\textsuperscript{57} An American economist and sociologist Thorstein Veblen (1857–1929) elaborated the theory of demonstrative consumption to characterize owners, who were mainly not involved in manufacturing, but were building up their capital via possession of the means of production. As a result of demonstration their belonging to the upper class of society they acquired some features of demonstrative consumption. That’s why, while analyzing the consumption of the ‘red directors’ as the representatives of the Soviet economic elite, it is important to take into account that this idea should be used with certain restrictions since they did not own the means of production.
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Artykuł ma na celu zbadanie materialnego wymiaru życia ukraińskich elit ekonomicznych w latach dwudziestych i trzydziestych XX wieku. Implementacja ideologii komunistycznej spowodowała zmianę w nastawieniu państwa i społeczeństwa do życia codziennego oraz świata dóbr materialnych. W zaistniałych okolicznościach bogactwo i luksus, stanowiące wartość definiującą świat materialny każdej grupy z wyższych sfer, powinny były stracić swoją ważność. Tenże aspekt świata ukraińskich elit gospodarczych pod rządami NEP i wczesnego stalinizmu zachował wszystkie oznaki przynależności do wyższych warstw społecznych. Głównym obiektem niniejszej analizy są dwie grupy społeczne: prywatni przedsiębiorcy (nepmen) oraz zarządcy państwowych przedsiębiorstw przemysłowych, sowieccy czerwoni dyrektorzy.

Istotnym punktem pracy jest zdefiniowanie cech bogactwa w czasach radzieckich. Ponadto, w tekście wyłaniają się również inne ważne do poruszenia kwestie, to jest: nakreślenie obrazu materialnego świata ukraińskiej elity gospodarczej w latach dwudziestych i trzydziestych XX w., wyznaczenie różnic w pozycji społecznej różnych jej przedstawicieli, określenie jakie dobra kontrybuowały w tworzeniu ekskluzywnego życia.

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codziennego przedsiębiorców oraz dyrektorów przemysłu radzieckiego. Autorka zadaje pytanie o to, czy możliwe jest stworzenie pewnego rodzaju przepisu na zdobycie bogactwa w czasach radzieckich okresu międzywojennego.

W rzeczywistości, osobista i społeczna tożsamość elit ekonomicznych w latach dwudziestych i trzydziestych XX w. definiowana była przez dostęp do określonego zestawu dóbr i usług, które podkreślali status ich właścicieli. Przeciwnie zdanie wyrażają niektórzy z badaczy, którzy sugerują konieczność zwrócenia uwagi na niematerialne aspekty jako kluczową cechę projektu sowieckiego jako całości. Ze względu na tą dwojakość poglądów dobrze usytuowane grupy konsumenckie społeczeństwa radzieckiego mogą być interesującym, kontrowersyjnym obszarem badawczym, którego badanie doprowadzić może do zrozumienia w jaki sposób idealy równościowe realizowane były w praktyce.

W latach dwudziestych i trzydziestych XX w. pojawiła się nowa klasa społeczna, a wraz z nią charakterystyczna dla niej kultura konsumpcyjna. Zarówno nepman, jak i czerwoni dyrektorowie przypisywali rzeczom tą samą wartość materialną. Niemniej obie z tych grup dochodziły do bogactwa w inny sposób. Prywatni przedsiębiorcy zdobywali pewne dobra materialne drogą zakupu, podczas gdy radzieccy kierownicy otrzymywali je za pośrednictwem systemu państwowej dystrybucji lub pomocy socjalnej. Okoliczności te sprawiły, że w ich koszyku konsumenckim znalazły się nie tylko przedmioty codziennego użytku, ale również obiekty bardziej trwałe – nieruchomości, pojazdy oraz inny dobytek.

Podsumowując, obiekty materialne – symbole luksusu i bogactwa, były niesamowicie cenne dla elit ekonomicznych tamtych lat. Odróżniali one te grupy od innych warstw społeczeństwa radzieckiego. Ich konsumpcja sygnaлизowała przynależność do grupy i stanowiła jej gwarant. Lata dwudzieste i trzydziestele XX w. były okresem, w którym deficyt towarów oraz ich zamknięta dystrybucja uczyniły przedmioty codziennego użytku przedmiotami luksusowymi, dostępnymi jedynie dla wyższych warstw. Priorytet gromadzenia bogactwa, jako cechy charakterystycznej dla elit, doprowadził do powstania uprzywilejowanej grupy społeczeństwa radzieckiego, wywodzącej swoje korzenie z posiadania dóbr i własności.

Słowa kluczowe: konsumpcja, codzienność, dobra materialne, elita ekonomiczna, ‘nepman’, ‘czerwony dyrektor’, Sowiecka Ukraina

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