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The Soviet industrialization in development discourses: a shift in interpretation

According the consensus established in development studies of the 1950s–60s, the Soviet industrialization of the 1920s-30s represented a relatively successful case of development policy. It was generally accepted that the manufacturing sector showed high growth rates then, this being the result of the sharp increase in investments. The Soviet model called for investment-based growth. In 1950s–1960s, it was also assumed that the basic source of that growth was the resources that were 'squeezed' out of the agricultural sector. Hence, collectivisation, although considered extremely inefficient and harsh in terms of actual performance, was a prerequisite for industrialisation in terms of a theoretical model of development.

This approach was challenged in the 1970s, starting with a series of articles (Millar 1970, 1974, 1978). In these, Millar tried to undermine the very notion of 'surplus' as the target for 'original accumulation' and, using price data, proposed a model of intersectoral exchanges and showed that, in fact, the 'terms of trade' during industrialisation were unfavourable for the manufacturing sector. Millar's intervention marked a major shift in the mainstream evaluation of the economic efficiency of an industrialisation-based model, which corresponded to the new consensus in confronting the development issues. The paper considers this shift and its effects.