

Russian Economic History

Lecture 6: Economics of World War II

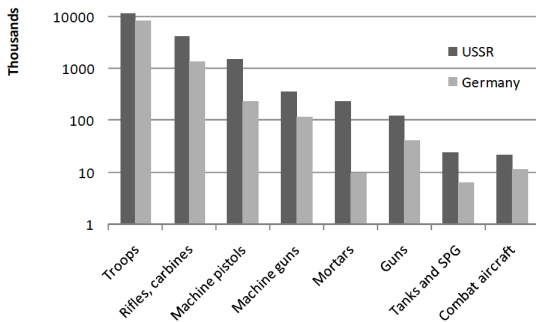
Econ 472

Fall 2020

Balance of Supplies

The Eastern Front

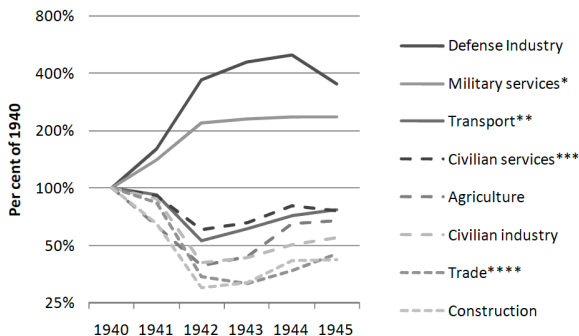
Balance of Supplies on the Eastern Front, 1942



Mobilization for War

Change in Composition of Output

Net national product of the Soviet Union by sector of origin, 1940 to 1945
(percent of 1940, at factor costs of 1937)



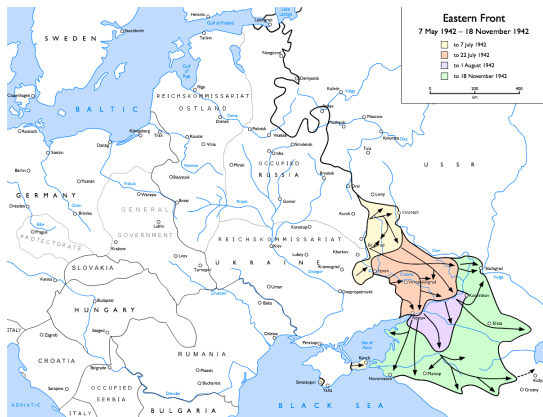
The Eastern Front

1941



Farthest German Advance

Case Blue, 1942



Battle of Kursk

The Plan of Attack



The Urban Transition

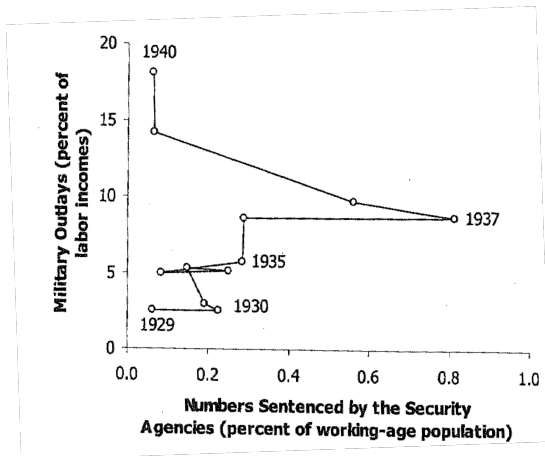
Urban and Rural Population

The Urban Transition, 1928-39 (millions)

	<i>Urban</i>	<i>Rural</i>
1928	28.1	121.9
1929	29.5	123.2
1930	31.2	123.6
1931	34.2	122.5
1932	38.6	119.4
1933	41.6	116.4
1934	42.7	116.3
1935	45.4	114.4
1936	48.2	112.8
1937	50.2	112.8
1938	52.4	113.8
1939	54.7	114.8

Repression and Military Spending

Dictator's Tradeoff



Mobilization and Losses

Soviet Union and Germany Compared

Military Mobilization and Losses, USSR and Germany Compared

	<i>USSR</i>		<i>Germany</i>	
	<i>million</i>	<i>of prewar population (%)</i>	<i>million</i>	<i>of prewar population (%)</i>
<i>World War I</i>				
Military mobilization	15.8	10	13.2	20
Military losses	1.8	1	2.0	3
<i>World War II</i>				
Military mobilization	30.6	16	13.0	19
Losses, total	25.6	13	6.5	9
military	8.7	4	4.5	6
civilian	16.9	9	2.0	3

Production Compared

Military and Civilian Production

Russian and Soviet industrial production, 1914-1917 and 1941-1945

(per cent of prewar output)

<i>World War I</i>			<i>World War II</i>		
	<i>Military goods</i>	<i>Civilian goods</i>		<i>Military goods</i>	<i>Civilian goods</i>
1913	100	100	1940	100	100
1914	115	101	1941	170	86
1915	225	102	1942	339	35
1916	229	88	1943	422	37
1917 ^a	222	61	1944	466	42
			1945	328	47

War Economy

Price Deflators

Soviet Price Deflators, 1941-45 (percent of 1940)

	1941	1942	1943	1944	1945
Defence industry	84.5%	66.4%	60.9%	59.2%	57.4%
Civilian industry:					
machinery	..	..	..	103.8%	..
basic goods	..	..	..	105.8%	..
Construction	..	..	..	126.9%	..
Railway freight	..	..	..	125.6%	..
Public sector wage	..	..	..	..	132%
Retail trade	..	215%	357%	352%	267%

War Economy

Defense Burden

Soviet GNP and the Defense Burden, 1940 and 1942-4

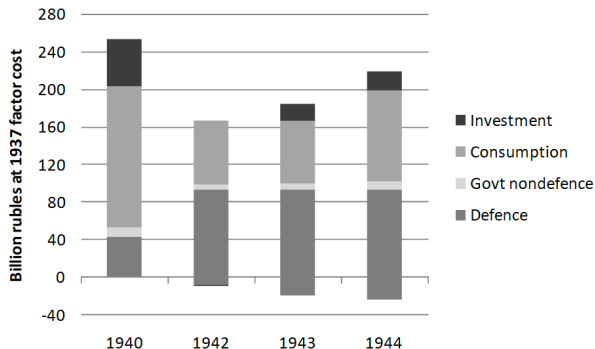
(billion rubles at 1937 factor cost and percent)

	1940	1941	1942	1943	1944
(A) Billion rubles					
Gross national product	253.9	218.7	166.8	185.4	220.3
Defence outlays	43.9	61.8	101.4	113.2	117.2
Net imports	0.0	0.3	7.8	19.0	22.9
Defence outlays, <i>less net imports</i>	43.9	61.5	93.7	94.1	94.3
(B) Percent of GNP					
Defence outlays	17%	28%	61%	61%	53%
Net imports	0%	0%	5%	10%	10%
Defence outlays, <i>less net imports</i>	17%	28%	56%	51%	43%

War Economy

Defense Burden

Soviet GNP by final use
billion rubles at 1937 factor cost



War Economy

Women's Work

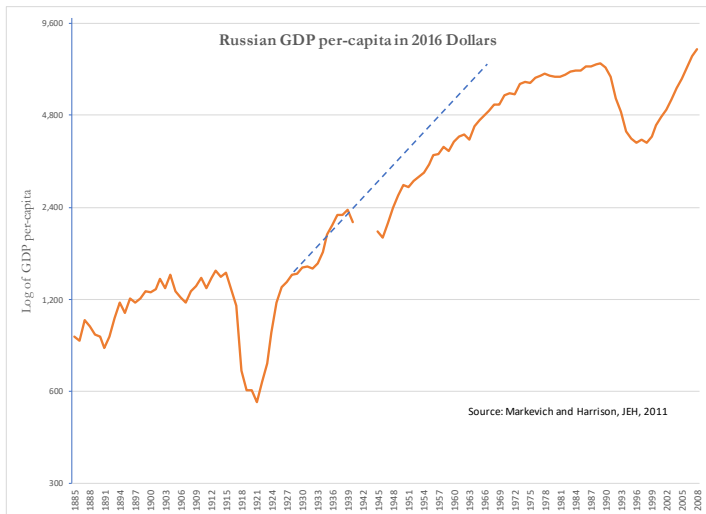
Women's Share in Soviet Employment, 1940-5

(per cent of total)

	1940	1941	1942	1943	1944	1945
Public sector	38%	..	53%	57%	57%	55%
industry	41%	..	52%	53%	53%	51%
construction	23%	..	24%	29%	..	32%
transport	21%	..	35%	42%	45%	40%
farming	34%	..	54%	61%	..	61%
Collective farming	..	52%	62%	73%	78%	80%

War Economy Impact

Markevich-Harrison Diagram with Hypothetical Trend



Agriculture

USSR Net Agricultural Production per-capita

USSR Net Agricultural Production per-capita

	<i>1940</i>	<i>1950-53 average</i>
Grain	238.4	247.9
Potatoes	194.6	172.8
Green vegetables	50.1	41.2
Milk	144.2	144.8
Meat	24.5	27.5
Eggs (units)	58.9	68.0

Source: Johnson and Kahan 1959, p. 210.