

## SUGAR INDUSTRY IN THE NEW ECONOMIC POLICY IN THE LEFT BANK OF UKRAINE: HISTORICAL CONTEXT

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### Summary

The article examines the situation of the sugar industry during the new economic policy in Left-Bank Ukraine. The task is to determine the working conditions of the industry, financing, land issue, and the impact of political events on the development of the sugar industry. The authors identify such important areas of research as recovery, production, achievements, the position of workers during production, the formation of sugar prices, and so on. It is necessary to take into account the conditions of the new economic policy, which significantly changed the life of sugar factories. The article examines the issues of sugar beet cultivation technology and technical support of the industry, the cost and competitiveness of sugar industry products. The article describes the impact of the new conditions on the management of sugar factories in Ukraine as a whole and separately in the Left-Bank Ukraine, as well as the activities of Tsukrotrest. The article examines the importance of the sugar industry for agriculture and for the country's economy. The authors explore sugar factories in the Left-Bank Ukraine in the article, and also use a vivid example of the Tsyhlerivka Sugar Factory, which is located in the Kharkiv region. This helps to recreate a clear picture of the "sweet life", the specifics of the industry. It is concluded that the sugar industry in the NEP environment required a lot of effort to achieve high performance, and indeed, to produce high-quality products for the Ukrainian population.

**Keywords:** economic history, Ukrainian SSR, agriculture, factory workers, state management.

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### 1. Introduction

In recent decades, scientific interest in the study of the sugar industry in the Left-Bank Ukraine during the NEP years has significantly increased. Because the current state of this industry requires important changes in order to improve economic changes in society. To recreate the reality and understand the erroneous measures of this period is presented to the authors, to recreate the gaps in historical research. Indeed, looking through modern research on our issue, there are fragmentary works, which makes the study of this problem relevant.

History and modernity are closely linked. The development of independent Ukraine takes place through the functioning of a market economy in various sectors of the national

economy. Among them, the sugar industry stands out vividly. To predict the future, you need to avoid mistakes by studying the past. Economic changes in the period of the new economic policy have invaluable experience for today. Sugar is a product of everyday consumption, and therefore plays a key role in solving the food problem. In addition, the sugar industry is closely linked to many other sectors of the national economy, contributes to the industrialization of rural areas, and provides jobs for many rural residents.

The purpose of the article is to study the main directions of development of the sugar industry in the years of the new economic policy in the Left-Bank Ukraine. The chronological boundaries of the study are the years of the new economic policy, i.e. 1921-1928, i.e. the period of transition to new forms of farming, the impact on the studied industry and the fate of workers, employees, and peasants of the sugar industry.

When writing the article, the authors used the following groups of sources: periodicals, archival sources, thematic collections of documents, statistical materials. So, the documentary base provides an opportunity to reveal and investigate the problems. Working with documents required research methods. Such methods as the historical-system method, the periodization method, and the historical-typological method were used.

Analysis of recent studies. Reproducing the historiographic review of this issue, it should be mentioned that the literature has two directions: the new economic policy and the sugar industry of the Left-Bank Ukraine. Regarding NEP, we should mention the monographic studies (*Kalinichenko, 1997; Morozov, 1993; Lazurenko V. M. Paskalenko V.Ye., 2011; Marochko, 1995; Kulchytskyi, 1999*). Researchers of agricultural relations in Ukraine have made a significant contribution to the study of the problem. The history of studying the domestic sugar industry is divided into stages. With the declaration of independence of Ukraine, a new stage of historiography begins. Many issues were considered from a new point of view (*Zaiets, 2003; Kalinichenko, 2006; Rakovskyi, 1998; Buravchenko, 2006*). Regarding our study period, there were no significant works, so an important task is to study this issue.

## **2. The state of the sugar industry at the beginning of the Soviet period**

Looking at the period under study, it should be noted that the events of that time were the main factor in the transition to a new economic policy. The Bolsheviks believed that it was possible to stop the decline in production in the sugar industry only if it was nationalized. The first step in the state management of factories was the formation of a temporary commission to organize the main sugar committee in Moscow in March 1918. In Soviet Russia, the sugar industry was nationalized. But Ukraine was occupied by German troops, so nationalization was later here. At the beginning of 1919, the Bolsheviks restored Soviet power for the second time in Kharkiv, where the Council of people's commissars of the Ukrainian SSR launched its activities. On January 16, 1919, the sugar industry of Ukraine was nationalized by a decree of the Soviet government of Ukraine. The Main Directorate in Kiev, as well as district departments and plant departments became the governing bodies of the nationalized sugar industry of Ukraine. Sugar factories had to be set up and provided with raw materials, that is, sugar beet. Of course, it was necessary to resolve the land issue. The turning point in solving the land issue was the decree of the VUCIK and the Council of people's commissars of the Ukrainian SSR "on the nationalization of land for the sugar industry of Ukraine" of January 4, 1922. The essence of the decree was that all former non-labor lands that previously served sugar factories were placed at the disposal of land bodies for distribution between landless and small-land peasants on a general basis, with the exception of 400 thousand Des. arable land

for the needs of sugar factories. These lands were needed by factories to create seed, feed and food needs and to create the main raw material Fund. Commissions on the nationalization of land for the sugar industry were supposed to complete the allotment of land in 1922. in the Left-Bank Ukraine, 130.3 thousand des were allocated. land, 3.3 thousand Des. for one sugar factory. For example, 6.3 thousand land des were allocated for the Tsyhlerivka Sugar Factory (*Kalinichenko, 1999: 56*).

Management of sugar factories in Ukraine at the first stages of changes was in two regional departments – in Kiev and in Kharkiv. Gradually, the management structure changed. In 1923, the regional departments of the sugar industry were reorganized into branches of “Tsukrotrest” – Kharkiv, Kiev, Podolsk. So, during the period of the new economic policy, there were changes in the organization that aimed to improve the production of the sugar industry. Research on this issue is, of course, important. Since the fate of the peasants who worked in sugar production depended on production.

### **3. Restoration of production**

Gradually, sugar factories resumed their work and hoped for new achievements. For example, the Tsiglerovsky sugar factory in Kharkiv region resumed its production on October 1, 1925. The plant had 11 engines with a total capacity of 381 horsepower, 9 boilers with a total heating area of 1380 square meters. m, 464 workers and employees worked. The average daily processing of sugar beet gradually increased: in 1925/26 – 6600 centners, in 1928/29 – 6730 centners (*Kalinichenko, 1999: 57*). It should be noted that this sugar factory was average in its capacity in Left-Bank Ukraine. So, in 1932, the average capacity of a sugar factory in Left – Bank Ukraine was 8,000 centners of beet per day, and in Ukraine-7,300 centners. of course, each year there were its own factors that affected the quality of production.

### **4. Raw materials and land use**

An important issue in the sugar industry is the supply of raw materials. With the transition to NEP, much attention is paid to the cultivation of sugar beet. Back in 1921, at the Congress of Rautsukrov in Kiev, the restoration of prizavodsk farms and breeding stations was identified as one of the main tasks for restoring the sugar industry. It was planned that these farms should provide raw materials for up to 50% of the total demand. Farmers also had to take care of seed material. An important issue of this process was crop rotation, without which there would be no high yields.

At the same time, it should be noted that peasant land use is a significant layer of solving the raw material base. In our case, it is important to note that land is the basis of Agriculture. In sources about the composition of land, researchers use different figures. This is explained by the fact that in 1917 an agricultural census of the territory of Ukraine was conducted, but it does not give a complete picture of those times. During our study period, a sample survey was conducted in 1922. And in 1929, they conducted a study of the information of district statistical bureaus, which was a reliable source.

### **5. Organization of production**

At the beginning of 1924, the Board of Tsukrotrest organized an agronomic Congress, where it characterized the state of the sugar industry and planned practical measures for beet

sowing and state financial assistance. Such measures confirm the importance of developing the sugar industry. In the 1920s, the Soviet government confiscated land from landlords and transferred it to collective farms and peasants. In 1929, 8.2% of peasant land belonged to collective farms, 91.8% was in individual land use (*Kulchytskyi, 1999*).

Consequently, the land issue was gradually resolved and was relevant in rural areas, leaving unresolved issues and difficulties for the sugar industry. Continuing to study the ways of land affairs, it should be mentioned that in January 1924, the VIII all-Ukrainian Congress of Soviets was held, where they discussed the stabilization of peasant land use as the basis for the development of Agriculture. It was decided to stop the redistribution of land and assign the existing land use to communities and yards. To quickly rebuild agriculture, they began to use rent. As for sugar factories in Left-Bank Ukraine, more than half of the leased land fund was made up of sugar factories.

Taking the Tsyhlerivka Sugar Factory as an example, we observe the following situation. On January 30, 1920, the Konstantinovgrad Revolutionary Committee sent its representative to the plant. From among the workers and employees of the plant, a commission headed by the plant commissioner was created to accept the plant's property and sugar available there. But the plant did not work until 1925. In 1922, 43 tithes of sugar beet were sown and 5,483 berkovtsy were obtained. All the beets were taken to the existing Charles Sugar Factory. It was necessary to concentrate production by reducing the number of operating plants (*Kalinichenko, 1999: 57*).

Regarding the land issue at the Tsyhlerivka Sugar Factory, the situation has developed as follows. All lands that have included sugar beet crops for 5 years are transferred to sugar factories. In general, the literature notes that in the 20s there was a real turn towards the growth of the sugar industry. In 1922, 10,003,856 pounds of sugar were produced, which is 11.8% compared to 1914. In 1923, 18,923,936 pounds of sugar were obtained, or 22.3% compared to the pre-war level (*Central State Archive of Higher Authorities and Management of Ukraine, F. 337, In. 1, F. 1280*).

Its own farm itself existed all the years, even when the plant was not working (1920-1924), part of its land was leased to the surrounding peasants, and some of it was managed by themselves (*Kalinichenko, 1999: 66*).

Industrial restoration and technical improvement are gradually continuing, and professional technical workers are being formed, which significantly affects stabilization. For example, there was no sugar reconstruction at Tsyhlerivka Sugar Factory. Pre-revolutionary equipment was used here, although only the equipment that failed was changed during the work. The technology of sugar production at the plant was typical and did not fundamentally differ from sugar production at the beginning of the XX century. So, the authors in the study gave an example of the development of a sugar factory in Left-Bank Ukraine during the NEP period. Difficulties in production were present, as with the transition to NEP, periodic crises were caused by various reasons.

The production of sugar factories during the 20s was chaotic and disorganized. Therefore, the situation of the workers was quite difficult and "unsweetened". They worked in difficult conditions and ate very poorly. Factories were launched without providing proper conditions and lack of raw materials. For example, at the Tsyhlerivka Sugar Factory in Kharkiv region, only at the end of the NEP did the staff of specialists gradually improve. There were 26 engineering and technical specialists, 5 engineers, 10 mechanics, and 11 other specialists. The specifics of sugar industry production required a thorough knowledge of the technological process, so specialists needed separate training and careful implementation of technologies. These data reflect the average sugar factory in Left-Bank Ukraine. The fixed capital of the

plant as of October 1, 1929 was 2146 thousand rubles, which exceeded its value in 1913 (Kalinichenko, 1999: 62).

The management was constantly changing and sometimes incompetent. As a result, sugar factories operated for a short period of time and had a low level of product quality. This transition period affected the development of the village and its population.

The period of restoration of sugar factories was carried out in order to increase production and product quality. Personnel support was formed, and the latest technical achievements were used. Gradually, it became clear that a number of measures needed to be taken to achieve the desired result. The new economic policy should create favorable conditions for the recovery of the sugar industry. The main Department of the sugar industry (Golovtsukor) was reorganized into Tsukrotrest, which was subordinate to the Supreme Economic Council of the RSFSR (Martsynishyn, 1997: 11). that is, the management activities of the trust were geographically remote from direct producers of products, which significantly reduced the efficiency of managing the sugar industry. During the completion of the NEP, when the situation is improving, the development of the sugar industry in Left-Bank Ukraine was practically not stable. Although the economic changes in the study period opened up new opportunities for the producer, however, lack of funds, problems in management, and many other errors in the organization of the sugar industry did not allow the sugar industry to achieve the desired results.

## 6. Conclusions

The development of the sugar industry in Left-Bank Ukraine during the years of the new economic policy occupied an important place in agriculture. Natural conditions, fertile soils, and a sufficient amount of Labor made it possible to restore and develop the industry after the political events of those times. In the early 20s, there were a number of reasons for the difficult situation of sugar factories. Therefore, an important task for the Soviet leadership was to restore the industry. Reality required new changes and reconstructions. The question for researchers about the results of such changes is still relevant today.

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