



Magadan and the Economic History of Dalstroi in the 1930s

David Nordlander

AMONG A HOST of issues, the history of the Gulag raises several interrelated political and economic questions that address the essence of Stalin's industrialization campaign in the 1930s. Above all, the question arises of whether the labor camps were created mainly as repositories for the victims of political repression or whether they served the larger goal of economic necessity in the Soviet Union. Phrased another way, were the pace and scale of arrests shaped by industrial goals, or were they merely a function of political interests throughout the Stalin era? The question of the economic efficiency of forced labor is also important because it addresses the productive capacity of Stalinism. An analysis of Dalstroi, which was headquartered in the Russian Far Eastern city of Magadan, is instrumental in understanding the ebb and flow and relative balance of political and economic imperatives in the 1930s.

Before such an investigation, however, there is a need for some background on the economic history of Dalstroi. This penal agency constituted the largest entity in the entire labor camp system; its acronym Dalstroi stood for Far Northern Construction Trust (Glavnoe upravlenie stroitel'stvo Dalnego Severa NKVD SSSR), a euphe-

mism for a ruthless organization whose wide array of functions made it the overlord in the Soviet northeast. Sandwiched between the Pacific and Arctic Oceans, Dalstroi in time came to administer more than 130 camp facilities in a territory covering nearly 3 million square kilometers and stretching to the tip of the Bering Strait. Encompassing the northern right bank of the Lena River, the Indigirka and Kolyma Rivers, the Chukotka Peninsula, and a section of northern Kamchatka, this region formed a landmass bigger than that of Western Europe. Dalstroi was also a favorite child of the NKVD, the People's Commissariat of Internal Affairs, which succeeded the Cheka and OGPU as the main organization of the secret police in 1934. As a result, this Gulag subdivision possessed numerous resources to carry out its mission as a branch of that legendary security agency.¹

For the USSR, the primary value of Dalstroi rested upon gold. Since this rare mineral provided the Soviet government with an irreplaceable commodity for foreign exchange and further economic development, Magadan in particular proved significant to the Kremlin. The Politburo and NKVD made a hefty investment in Dalstroi while assigning it ever-ascending production quotas throughout the Stalin era. As a result, this agency played a significant but hidden part in the national economy. From the perspective of Moscow, camp inmates were tools for attaining mining records. Since Stalin saw Dalstroi as the means for tapping some of the richest mineral resources in the USSR, party propaganda urged the Gulag workforce to ship copious amounts of gold to Kremlin coffers. The refrain trumpeted by the state trust echoed a clear mission: "We Must Give the Party Double the Amount of Metal as Last Year."²

1. For a brief outline of regional history, see Aleksandr Kozlov, *Magadan: Konspekt Proshlogo* (Magadan: Magadanskoe knizhnoe izdatel'stvo, 1989).

2. GAMO (*Gosudarstvennyi arkhiv Magadanskoi oblasti*—State Archive of the Magadan Region), f. r-23s, op. 1, d. 12, l. 4.

Magadan and the Economic History of Dalstroi in the 1930s 107

Over the years, the Soviet economy benefited enormously from Dalstroi's prison operations. While the productivity of forced labor proved low, the state trust achieved output figures that pleased Stalin and boosted the anemic hard currency reserves of the USSR. Considering the value of gold, the large quantities mined by Dalstroi in the mid-1930s became a financial boon to Moscow and paid to a certain extent the investment costs of the regional camps. For that matter, the state trust produced economic returns far above projected values. Economic achievement came as no small feat, however, since prison bosses often had to wrestle with equipment deficits as well as with incompetent, incapacitated, and emaciated prisoners. Such was certainly the case during the tenure of the first Dalstroi director, E. P. Berzin. But excavation figures for gold nonetheless more than doubled each year from 1932 to 1936, causing official displays of admiration and praise from the Kremlin and a further increase in regional investment. The returns from 1936 so excited A. P. Serebrovskii, an industrial commissar, that he erroneously rhapsodized: "Never, in the most feverish years of the capitalist gold rush that included all the metal taken out of Alaska, did a territory give as much gold as that produced this year by the new Kolyma region."³

In the early Stalin era, economic rather than political needs were paramount and therefore determined the fate of prisoners sent to Dalstroi. Soviet authorities in the early 1930s were not yet ostracizing and humiliating inmates because the focus in the Gulag was concentrated on industrial issues. Data for mineral production show commercial benefits resulting from the employment of Gulag inmates in the region: between 1932 and 1934, Dalstroi raised its annual mining totals from 511 to 5,515 kilograms of pure gold.⁴

3. See Kozlov, "Pervyi Direktor," *Politicheskaia Agitatsiia*, No. 18 (September 1988).

4. GAMO, f. r-23ss, op. 1, d. 5, ll. 14-20.

Although this amount was not huge, the tenfold increase presaged a bountiful future. Such returns would prove significant for Stalin's programs, since international gold sales became one of the chief means of raising foreign exchange to pay for the Soviet industrialization effort. Financial incentives provided the impetus for Dalstroi's birth and evolution, a motivating force that would not be matched until political considerations began to dominate events in the late 1930s.

But state priorities in the Berzin era and throughout the early 1930s focused on labor exploitation rather than on political destruction. To achieve its industrial plans in the region, Dalstroi began importing ever-larger contingents of inmates. In June 1932, the penal ships *Kashirstroi* and *Dneprostroi* arrived from Vladivostok, with the first large prison boatloads arriving in Nagaev Bay. By the end of that year, the Gulag in Magadan processed 9,928 prisoners to different camp enterprises.⁵ Even the composition of these penal drafts showed that Stalin's first, more practical aim concentrated on the economic development of the territory. The overwhelming majority of the original inmates were not "politicals" but common criminals, with the rest including some "dekulakized" peasants from Soviet agricultural regions.⁶ Political prisoners were the least productive class of prisoner but made up only a small percentage of camp totals until after the onset of the Great Purges.

As inmate totals grew, Dalstroi spread its prisoners to mining and industrial sites throughout the region. Though Soviet authorities first built camps along the Okhotsk coastline and then along the Kolyma River, Gulag branch camps in time extended westward to the Lena River and eastward to the Chukotka Peninsula at the farthest tip of the country. In 1932, however, camp officials concentrated prisoners in and around Magadan, since most construc-

5. GAMO, f. r-23ss, op. 1, d. 6, l. 55.

6. Kozlov, "Oni Byli Pervymi," *Reklamnaia Gazeta*, March 14, 1989, 4.

Magadan and the Economic History of Dalstroi in the 1930s 109

tion activity in the early years focused on building the city itself and the highway leading to the site of gold strikes in the interior. Penal ships made regular runs during the summer and fall from Vladivostok to the port of Nagaevo, where prisoners transferred to a transit station for registration and dispatch to work assignments. To accommodate the projects with greatest labor needs, Berzin established camp zones throughout the new metropolis and surrounding countryside, an area that became the initial base of the Gulag along the shores of the North Pacific. By 1934, the state trust had also established hard labor camps at the rich mineral deposits to the north of Magadan to expand the territory's gold operations.⁷

The Soviet government provided Dalstroi with every possible means to complete its mission, including ever-larger prison contingents that soon formed the predominant labor base in all trust enterprises. Statistics reveal the overwhelming reliance of the regional Gulag on prisoners, a reliance that persisted throughout the history of the state trust. Freely hired personnel composed on average only 15 percent of the total workforce, while the remaining 85 percent consisted of prisoners. Between 1932 and 1934, regional labor figures for both free and involuntary workers nearly tripled, from 13,053 to 35,995. Prisoner counts for the same years rose from 9,928 to 32,304, an even faster rate of increase that at times showed prisoner averages approaching 90 percent of the total workforce.⁸ Changing little throughout the 1930s, this ratio accentuated the unusual problems in creating a viable workforce for Magadan. Without the "human capital" provided by the Gulag, industrial development would not have proceeded in the territory. Dalstroi's experience framed earlier debates in the Politburo, Sovnarkom (Council of People's Commissars), and Narkomtrud (People's Commissariat of Labor) on the potentially crippling labor shortage

7. Kozlov, "Zolotoi' Iubilei," *Politicheskaia Agitatsiia* (June 1989), 21–25.

8. GAMO, f. r-23ss, op. 1, d. 6, l. 55.

throughout the region, a problem that Stalin had resolved in his expansion of the Gulag network through the resolution “On the Use of Prison Labor” in June 1929.⁹ Magadan can be seen as a textbook study demonstrating the economic reasons behind the widespread exploitation of camp inmates in the Stalin era.¹⁰

In economic goals, Dalstroi exceeded nearly all quotas set by the Soviet government during the second Five-Year Plan (1933–37). Economic output more than rose in proportion to the equipment and “human capital” sent to Dalstroi. From the total of 32,304 prisoners for 1934, prisoner numbers rose again to 44,601 in 1935 and to 62,703 by the close of 1936.¹¹ In relative terms, gold-mining statistics exceeded the influx of prisoners. Production returns in Magadan rose exponentially for each of the first several years of camp operations. From the extraction of 5,515 kilograms of chemically pure gold in 1934, Berzin more than doubled production to 14,458 kg in 1935 and twice as much again to 33,360 kg by the end of 1936.¹² To place these statistics in a national context, the Soviet Union overall mined only 13,215 kg of gold in 1927 and 1928. Moreover, Dalstroi’s production alone by the mid-1930s almost matched total tsarist gold-mining figures from the years before World War I.¹³

In response to the economic attainments of the Gulag in Magadan, Stalin and Molotov sent annual commendatory telegrams, such

9. RGASPI (Rossiiskii gosudarstvennyi arkhiv sotsial’no-politicheskoi istorii—Russian State Archive of Social and Political History), f. 17, op. 3, d. 746, l. 11 (Politburo protocols).

10. For more on the economic ramifications of Gulag labor in the region, see S. M. Mel’nikov, “Dal’stroi: Stranitsy Istorii,” *Kolyma*, nos. 9–10 (1993): 46.

11. For the annual totals of Gulag prisoners within the state trust during these years, see GAMO, f. r-23ss, op. 1, d. 6, l. 55.

12. For annual gold production figures for Dalstroi at this time, see reference note 11, f. r-23ss, op. 1, d. 5, ll. 14–20.

13. For comparative statistics on earlier tsarist and Soviet gold-mining totals, see Mel’nikov, “Dal’stroi: Stranitsy Istorii,” *Kolyma*, nos. 9–10 (1993): 44–47.

Magadan and the Economic History of Dalstroi in the 1930s 111

as the following in 1936: “We congratulate the workers and leadership of the trust Dalstroi upon fulfillment of the program for gold-mining, and send Bolshevik greetings.”¹⁴ Berzin had received the highest state honor in the preceding year when the Soviet government awarded him an Order of Lenin in the Kremlin for outstanding service in surpassing target figures for gold production, an accolade also awarded to his leading deputies, Z. A. Almazov and A. N. Pemov.¹⁵ Several other subordinates concurrently won citations, all of which were highlighted nationally on the front page of *Pravda*. The most intriguing citations went to a handful of Dalstroi prisoners, who received early release (*dosrochnoe osvobozhdenie*) for their part in achieving the lionized results. From the standpoint of central authorities, the future appeared bright with promise for these regional officials “at the vanguard of socialist labor.”¹⁶

For all the honors, Berzin and his assistants knew that their careers, if not their lives, depended on the unbroken continuation of such exploits. Since the prosperity of Dalstroi, as of other subdivisions of the Gulag, relied on the sweat of prisoners, camp administrators focused on ways to motivate their inmates and stimulate production. Unlike civilian managers, however, prison bosses could not make use of normal incentives. They could reward inmate output with higher rations or small material inducements but were otherwise hamstrung in their options. Berzin and other Gulag chiefs thus turned to ideological campaigns to inspire and cajole inmates. While having fulminated in years past on the heroic efforts needed for the “opening of the Far North” to civilization, party rhetoric in the mid-1930s highlighted new slogans that redefined the goals of public life in Magadan. With increasing regularity, Berzin sought

14. GAMO, f. r-23s, op. 1, d. 26, ll. 26-27.

15. RGASPI 17.3.961: 44-46.

16. For the national recognition of these awards, see *Pravda*, March 23, 1935, 1.

to animate the Dalstroi workforce by using the mottoes of “socialist competition” (*sotsialisticheskoe sorevnovanie*) and “shock-work” (*udarnichestvo*), both of which emphasized attaining production records through honest rivalry, for the good of the state and the redemption of inmates. By the fall of 1935, the Stakhanov campaign augmented this effort and began to grip Magadan, thus raising the production stakes even higher. Lacking the corporate competition of the capitalist West, Soviet and Gulag institutions trumpeted such slogans as “socialist competition,” “shock-work,” and “Stakhanovism” to drive up labor productivity.¹⁷

But Stalin remained the master of cynical pragmatism. In contrast to the public protestations of Soviet life, the Kremlin boss was obsessed with economic production and political control. Reflecting his interest in Soviet industrialization, Stalin referred to Magadan in private as the administrative capital of prison camps in a gold-producing region. Both he and his assistants spoke of “inmate productivity,” “norms,” “quotas,” and “output,” but *never* of the supposed benefits from the “opening of the Far North” to civilization and modernity or of the redemptive power of labor campaigns.¹⁸ From the perspective of the Kremlin, Magadan existed as the center of a domestic colony based on slave labor. While constantly pestering Berzin about industrial plans and the proper use of Gulag conscripts, neither Stalin nor Molotov ever wrote to the Dalstroi boss about the ethereal goals of Marxism-Leninism that peppered regional newspapers. In one communication, Stalin issued a resolution through the Council of People’s Commissars, counter-

17. For more on Stakhanovism and related campaigns, see Lewis H. Siegelbaum, *Stakhanovism and the Politics of Productivity* (New York: Cambridge University Press, 1985). For an analysis of the use of such terms and their role in the camp economy, see G. M. Ivanova, *GULAG v Sisteme Totalitarnogo Gosudarstva* (Moscow: Moskovskii Obshchestvennyi Nauchnyi Fond, 1997), 92–93.

18. For one representation of such practical Kremlin concerns, see RGASPI 17.3.888: 38–46.

Magadan and the Economic History of Dalstroi in the 1930s 113

signed by Molotov, that informed Berzin of specific trust investment figures and the current price of gold.¹⁹

Underneath the propaganda campaigns, signs of these practical interests appeared with regularity in Magadan. The composition of the original penal drafts reflected the utilitarian concerns of state. By the end of 1932 these drafts numbered nearly ten thousand inmates, replete with kulaks and “wreckers” who offered practical farming and engineering skills valuable to camp administrators. In particular, the ten prisoners who arrived with Berzin on the S. S. *Sakhalin* were industrial specialists who provided Dalstroi with an expertise crucial for setting up operations. Following in the wake of the Shakhty and Industrial Union Trials in 1928, which had begun the party assault on specialists accused of sabotage and treason against the USSR, the Soviet government repressed many scientific personnel alleged to be “bourgeois” agents engaged in covert activities.²⁰ Arrested under the charge of “wrecking” (*vreditel'skaia deiatel'nost'*), the most common accusation against engineers in the late 1920s and early 1930s—many of these specialists had played an important part in establishing a technical foundation for the Gulag.²¹

Analysis of the specialists sent as the first inmates to Dalstroi reveals that the original show trials, regardless of public questions of guilt or innocence, took aim at technicians who were desperately needed in remote regions of the USSR but who could never be recruited voluntarily. Seven of these first prisoners in Magadan had

19. GAMO, f. r-23ss, op. 1, d. 1, l. 186.

20. For an analysis of the Shakhty Trial, see Hiroaki Kuromiya, *Stalin's Industrial Revolution: Politics and Workers, 1928–1932* (Cambridge: Cambridge University Press, 1988), 12–17. For more on the first industrial show trials, see Kendall Bailes, *Technology and Society under Lenin and Stalin* (Princeton: Princeton University Press, 1978), chapter 3.

21. The technical specialists arrested as “wreckers” lived in the relatively open camp zones and enjoyed at least a measure of mobility unknown in later years. See Kozlov, “U Istokov Sevvostlaga,” *Kolyma*, 1992 (no. 12): 27–32.

long-standing experience in the mining industry, two were labor organization experts, and one had served as a hydraulic engineer for many years. Dalstroi urgently needed these kinds of specialists, as did other Gulag entities across the USSR, a need that no doubt influenced arrest patterns of the period. At the same time, the patterns of employment of specialists in the labor camps of the early 1930s also unveil other realities of the Soviet penal system that help distinguish this period from the tragedies that occurred when the Stalin Terror reached full swing in 1937 and 1938.²²

Spawned by political considerations, the Great Purges in Magadan, as elsewhere in the USSR, produced deleterious consequences. Berzin was arrested in late 1937 and replaced by a new and much harsher camp boss, K. A. Pavlov. The new prison administration arrested most of Berzin's subordinates as well. Soon afterward, economic production tailed off for Dalstroi as previous growth rates began a steady decline. Since the Gulag in Magadan had received a huge influx of prisoners at the time of the Stalin Terror, such a decline in mining output probably appeared glaring to Soviet leaders who had expected the opposite. By the end of the 1930s in the northeastern region alone, more than 163,000 inmates slaved at camp enterprises as Dalstroi finally achieved an adequate number of prison laborers for fulfilling state plans. But the incarceration or execution of many specialists, who had acquired expertise through years of work for the Gulag, exacted a heavy toll, especially since their replacements often did not have commensurate skills. "Cadre leapfrog," in which employees stumbled over each other through the revolving door of the prisons, caused havoc and made it increasingly difficult to fulfill the goals of the Five-Year Plan.²³

22. Kozlov, "Oni Byli Pervymi," 4.

23. In economic impact, the events in Magadan during the Great Purges support the contentions of Alec Nove about the negative effects of the Stalin Terror on the industrial output and fulfillment of state plans caused by repressions against technical cadre. See Alec Nove, *An Economic History of the USSR, 1917-1991*

Magadan and the Economic History of Dalstroi in the 1930s 115

By late September 1938, even local Gulag bosses began to appreciate the effect of this turnover of specialists. Having lost a number of qualified experts over the preceding nine months, Dalstroi scrambled to replace essential personnel. The political imperatives of the age had eclipsed the rational necessities of the Soviet state, an imbalance that had to be redressed since it threatened economic output. On 28 September, the deputy Gulag director in Magadan, A. A. Khodyrev, authorized the creation of a mining technical college that would train a new generation of geologists, prospectors, and engineers to replace those who had been purged. As a reflection of how deeply the Great Terror had touched the region, depopulating it of a talented cadre, officials underscored the need to seek student candidates not only from among trustworthy civilian staff but from demobilized Red Army soldiers, low-level camp guards, and even residents of local native communities.²⁴ The Kremlin paid a high price for its untrammelled search for spies and saboteurs in 1937 and 1938, since the industrial capacity of agencies like Dalstroi began to slip along with the loss of its “human capital.”

The greatest index for the drop of productivity in the Magadan region at this time can be seen in Gulag inmate totals and gold-mining statistics. Though Berzin had produced exponential returns for gold in a ratio which exceeded the gradual inflow of prisoners, Pavlov presided over a contraction of output despite the greater number of inmates at his disposal. In 1936, 62,703 inmates mined 33,360 kilograms of chemically pure gold. Fewer than 2 inmates on average were thus required for producing one kilogram of gold. In 1939, 163,475 inmates mined 66,314 kilograms of pure gold. At this time, the regional Gulag required 2.5 inmates for yielding one

(London: Penguin Books, 1992), 259–60. See also R. Medvedev, *Let History Judge: The Origins and Consequences of Stalinism*, ed. and trans. George Shriver (New York: Columbia University Press, 1989), 456.

24. GAMO, f. r-23s, op. 1, d. 37, l. 71.

kilogram of gold. Prison rolls grew significantly by about 70,000 between 1938 and 1939, from 93,978 to 163,475. The amount of gold increased by only 4,000 kilograms, however, from 62,008 to 66,314. At the height of the Stalin Terror in Magadan, the significant inflow of prisoners led to only one additional kilogram of gold for every 17 new inmates. Such poor production totals show that the political fury of the Great Purges undermined the initial economic *raison d'être* of the Gulag and may help explain why the Terror came to an abrupt halt after less than two years. By 1939, the USSR could no longer afford the bloodletting.²⁵

To counteract these negative trends, the Kremlin pumped additional funding and resources into Dalstroï just to meet plan goals. Both secret police chiefs Nikolai Ezhov and Lavrenty Beria pressured numerous agencies to ship new equipment and technical supplies to Magadan, where camp authorities continued to struggle with a deficit of materials. Shortly before his ouster in 1938, Ezhov requested that Sovnarkom force the state bank (Gosbank) to provide more funds so that Dalstroï could upgrade much of its outdated technology in an attempt to close the mining gap.²⁶ Moscow, moreover, agreed to spend nearly 2 million rubles to repair two prison transport ships from Magadan, the *Dalstroï* and the *Dzhurma*, which had been heavily damaged by ice on the Sea of Okhotsk.²⁷ In December 1938, Sovnarkom even issued a resolution providing Dalstroï with an upper limit of funding, as needed, through July 1, 1939.²⁸ Despite intragovernmental complaints that NKVD mismanagement was the source of camp problems, the rapid action of the Kremlin reflected both the sense of urgency caused by Dalstroï's economic failings in 1937 and 1938 and the need to reorient the

25. *Ibid.*, f. 23ss, op. 1, d. 5, l. 14.

26. GARF (Gosudarstvennyi arkhiv Rossiiskoi Federatsii—State Archive of the Russian Federation), f. 5446, op. 23a, d. 61, ll. 7–8.

27. *Ibid.*, d. 92, ll. 11–17.

28. *Ibid.*, d. 178, l. 1.

Magadan and the Economic History of Dalstroi in the 1930s 117

state trust for a more productive future. Until the Great Terror ended, however, the earlier levels of industrial growth did not return, and Magadan remained in the grip of political chaos.

Although eliciting definitive reasons for either the beginning or ending of the Great Purges may be beyond the pale of scholarship, the economic standing of Dalstroi by the middle of 1939 offers clues to the ending of this epoch. The Stalin Terror had mangled the productive capability of the northeastern trust. As industrial considerations fell victim to political mandates, the Kremlin may have reaped intangible benefits but could not altogether ignore the harmful effect of the Great Terror on economic affairs. The impressive mining output achieved by Dalstroi under Berzin evaporated in 1938 and 1939. The exponential growth rates of the first six years could not be sustained by the trust administration under Berzin's successor, who presided over a precipitous decline in the recovery of gold and other minerals. In industrial yield, the Gulag in Magadan did not recover from the twin impact of the Stalin Terror and World War II until the late 1940s. Even then, it never approached the successes attained by Berzin, who in retrospect proved to be the most capable manager in the history of Dalstroi. Although Stalin may have desired the removal of officials like Berzin for reasons of political reliability, in time Stalin came to appreciate the concomitant loss of administrative and economic competence. As the experience of Magadan reveals, the Great Purges carried a price that the Kremlin may have considered too high by the second half of 1939.

In the meantime, a vicious cycle ensued in which the rhetoric and repression that underwrote regional economic decline increased with every decrease in output. Stalin soon took action to curtail the downward economic spiral of Dalstroi by naming yet another new administration of the state trust under the leadership of I. F. Nikishov. Stalin evidently realized that political methods useful during the Terror would not help in reviving productivity. As had been the case with Berzin's ouster, this reversal in emphasis led to revamping

the staff of the local Gulag. In assigning fresh management to Magadan, Stalin reinforced the industrial mission under which Dalstroi had first come to life in the fall of 1931. As a result, the violence of the Great Purges abated in Magadan before the close of 1939 as Dalstroi returned to its previous task of increasing gold recovery in the territory for the eager coffers of the Kremlin. Scarred by the political violence during the Garaninshchina (the local name for the Great Terror in Magadan, after the notorious camp boss, S. N. Garanin), Magadan never returned to what in retrospect seemed the halcyon days of the Berzin era.

But in economic output, the new Dalstroi administration under Nikishov focused on reestablishing earlier rates of industrial production achieved by the state trust under Berzin. In the early 1940s, the return to an emphasis on mining accomplishments implied that Dalstroi officials would again be scrutinized according to financial indices rather than political considerations. Spurred by the threat of war, which caused numerous changes in Gulag activities, economic output began to revive in Magadan.²⁹ As in the Berzin era, rewards and commendations from the Kremlin were based on the production of record quantities of gold or tin and other industrial achievements. In response to such incentives from above, local Gulag bosses returned Dalstroi operations to the production rates of the early to mid-1930s.³⁰

In accord with the practical aims behind the revival of Berzin's industrial heritage, Nikishov received more material and human assistance in his efforts to resuscitate camp operations. Aside from increased funding and equipment, Dalstroi received additional

29. At the same time, Moscow continued to send supplementary materials and funding to Magadan so that Dalstroi could attain these economic goals. See GARF 5446.23a.184: 66–69.

30. As a cornerstone of this industrial revival, rewards for output percolated to all levels of the state trust under Nikishov. See *Sovetskaia Kolyma*, October 4, 1940, 1.

Magadan and the Economic History of Dalstroi in the 1930s 119

inmates until the beginning of World War II in June 1941. By the end of 1940, Sevvostlag (Northeastern Camps—a prison agency subservient to Dalstroi) contained 176,685 inmates, a number that fell to 148,301 by the close of 1941 because of the large-scale release and transfer of inmates following the German invasion. But Gulag output nevertheless paralleled Kremlin investments, and Dalstroi mining totals once again approached the levels of the Berzin era. Dalstroi produced 80,028 kilograms of chemically pure gold in 1940 and 75,770 kilograms by the end of 1941. In the tin industry, Dalstroi processed 1,917 tons in 1940 and another 3,226 tons by the end of 1941.³¹

As a reflection of such practicality, Nikishov ordered a broad review of inmate files and granted a general amnesty for many inmates, particularly specialists, who had recently been imprisoned.³² Because of the detention of many geologists and engineers throughout the Gulag in 1937 and 1938, camp bosses like Nikishov scoured inmate rolls across the USSR for technical personnel considered essential to industrial resuscitation nationwide. Following a superficial review of cases, most of which had been incautiously fabricated and thus were easy to rescind, thousands of technocrats were released from the camps in the early 1940s and returned to their former jobs. The widespread cancellation of sentences from the Great Purges replenished the technicians who had fueled the success of the Berzin period. Besides the return of these specialists to their normal tasks, related policy changes helped reestablish the potential for industrial prosperity in regional camps.³³

Most important, Nikishov renewed a more rational use of labor, which had been undermined by the Garaninshchina. Following Ber-

31. GAMO, f. r-23ss, op. 1, d. 5, ll. 14–20, 55.

32. See Efimov, “Nachal’nik Dal’stroia I. F. Nikishov,” *Kolyma*, no. 11 (1991): 35.

33. *Ibid.*

120 David Nordlander

zin's ouster in 1937, economic output fell in part because many arrested specialists no longer filled roles related to their expertise. While a few *zek*, or prison, scientists continued to work in their fields, many imprisoned geologists and engineers found themselves slaving at manual tasks that never tapped into their knowledge or capabilities (the famous rocket scientist of Sputnik fame, S. P. Korolev, serves as but one example in Dalstroi). The distrust of inmates often led to their being employed in an irrational way during the Great Purges, an inefficient use of talent that persisted in the camps even under Nikishov because of the deep-seated impulse to humiliate political prisoners. The new Dalstroi chief nonetheless tried to turn this situation around, since it was clear that such attitudes had undermined the productive capability of the regional Gulag. At the same time, Nikishov abolished many of the irrational restrictions placed on former inmates.³⁴

In an attempt to reclaim economic growth, Nikishov revived a number of Berzin's initiatives with Moscow's acquiescence. Foremost among these were the material rewards given to prisoners and free civilians alike for superior levels of production. While Pavlov had also used a graduated scale of rations and monetary prizes dependent on output, he had so mangled the range of Berzin's original categories as to undermine their effect in stimulating worker productivity. Nikishov removed the more punitive aspects of Pavlov's program, while petitioning the Kremlin for the early release of prisoners who had performed with distinction. Since such a practice had fallen out of common use in 1937 and 1938, Nikishov's petitions on behalf of prisoners reinvigorated yet another Berzin practice. So too did the shortening of terms for industrious prisoners, who by fulfilling their labor quota in the first years of

34. Nikishov's orders in general reflected the more rational purpose of camp administrators in the early 1940s. For example, see GAMO, f. r-23s, op. 1, d. 63, l. 35.

Magadan and the Economic History of Dalstroi in the 1930s 121

Dalstroi's existence had received added credit for workdays, leading to a reduction of up to half the term of their sentences.³⁵

To be fair, production initiatives had not completely disappeared under Pavlov. But although he referred to inmate rewards and on occasion handed them out, they proved ineffective amid the repressive onslaught of the Great Purges. In 1937 and 1938, Dalstroi policy was so punitive toward prisoners arrested under Article 58 that existing material incentives seemed meaningless. Of Pavlov's six inmate categories, in which all rations were based on labor output, only the top two offered even an adequate level of sustenance. Caloric norms fell so low that only "shock-workers" and Stakhanovites had a chance to avoid malnutrition.³⁶ Although a conscious policy of Soviet authorities was to eliminate "Article 58ers" by attrition, these circumstances undermined production in the Gulag. Overwhelmed by the political calculus of the Great Terror, Pavlov and other camp directors overlooked this problem, even though it harmed economic output. But Dalstroi could not long continue a policy of eliminating political prisoners—a class of inmates that began to compose a high percentage of camp totals. By contrast, Nikishov aimed to revive the successful prisoner inducements from the Berzin era.³⁷

Aside from problems caused by the Great Purges, Nikishov had to struggle against the age-old nuisance of Russian inefficiency. While industrial production had fallen off in 1937 and 1938 because of punitive measures, it remained bedeviled by bureaucratic incompetence and shoddy work attitudes. Moreover, perpetual drunkenness among prison guards often resulted in botched assignments,

35. See Efimov, "Nachal'nik Dal'stroia," 35.

36. GAMO, f. r-23s, op. 1, d. 34, ll. 47–48.

37. At the same time, conditions in the camps improved somewhat from the time of the Garaninshchina. But although labeled by some as "relatively humanitarian," they remained grim. See L. Komarova, "Likholet'e," *Magadanskaia pravda*, December 6, 1988.

such as the common misdirection of inmate contingents who never showed up at the proper camp facility.³⁸ Dalstroï bosses—still limited by ideological blinders, which made them insist on increasing “vigilance” to correct these shortcomings—often proved unable to overcome their continuing troubles. Unlike Pavlov, however, Nikishov instituted several practical measures aimed not only at the “enemy” but also at staff ineptitude, the most glaring deficiency in the state trust. Some of these measures consisted of the most elementary practices, such as requiring camp officers to transmit written lists of prisoners at transfer points so that Gulag officials could trace their captives at all times.³⁹

Nikishov also hoped that the revival of serious incentive programs from the Berzin era might help surmount managerial incompetence and promote economic growth. Civilian employees, many of whom had been marginalized (if not arrested) during the *Garaninshchina*, would again strive for coveted bonuses just as inmates had. As a result, the formerly lionized notions of “socialist competition” returned with full force during the early 1940s. The Nikishov administration even outdid Berzin in spreading the concept of such idealized rivalry into every corner of Gulag activities. Honorific titles and civic recognition once more awaited the victors of these contests, along with prospects for material gain. Voluntary workers won cash prizes or other prizes, such as a gold watch, while prisoners most often received higher rations or even early release. In line with Soviet custom, Nikishov dedicated the new rounds of competition to political events. In December 1940, a contest between miners took place in memory of the Eighteenth Party Con-

38. For one such case, see TsKhSDMO (*Tsentr khraneniia sovremennykh dokumentov Magadanskoi oblasti—Center for the Preservation of the Modern Documents of the Magadan Region*), f. 1, op. 2, d. 163, ll. 1–3.

39. OSF ITs UVD (*Otdelenie spetsial'nykh fondov, Informatsionnyi tsentr Upravleniia vnutrennykh del—Department of Special Funds, Information Center for the Administration of Internal Affairs*), f. 11, op. 1, d. 2, ll. 1–2.

Magadan and the Economic History of Dalstroi in the 1930s 123

gress. While the results were probably fabricated by the media to trumpet inmate “promises” of overfulfilling labor norms, camp bosses aimed to create an atmosphere that would elevate production in the camps. With the goal of attaining annual mining targets, many Gulag competitions came in the month of December in order to meet all industrial plans before the end of the year.⁴⁰

Aside from increasing economic output, these campaigns offered the opportunity to carry out propaganda both inside and outside the camps. Although kept deliberately uninformed of most political affairs by camp administrators, prisoners at the beginning of the 1940s often found themselves compelled to dedicate the overfulfillment of plan quotas to specific resolutions, such as those of the Eighteenth Party Congress. Because of the tight restriction of information inside the Gulag, the mechanical parroting of recent party decisions accompanied bouts of “socialist competition” and allowed for the spread of carefully worded Soviet precepts to the inmate population. Despite their ignorance of Soviet life beyond the barbed wire, however, successful prisoners were said to have “warmly accepted the resolutions of the Central Committee from the Eighteenth All-Union Party Congress and expressed their love and devotion to the party and government, including the people’s leader, Comrade Stalin.”⁴¹ Even though most inmates viewed all prison campaigns with profound cynicism, they played along for the material advantages.

Although a continuing part of camp activities, ideological work among inmates remained secondary to economic production in the Nikishov era. For the most part, only those propaganda goals that helped raise industrial output survived the close of the 1930s. As a result, Dalstroi bosses reinvented Stakhanovism as a spur to labor productivity in the camps. Identified and rewarded at all enterprises

40. *Sovetskaia Kolyma*, December 26, 1940, 1.

41. *Ibid.*

of the state trust, individual Stakhanovites again became media darlings throughout the Nikishov era and a ready, if by then hackneyed, symbol of superior work effort. As in Berzin's time, these productive inmates received hero status and the perquisites and benefits intended to stimulate other inmates. In honor of the fifth anniversary of the Stakhanov campaign, Dalstroi glorified the inmates at the Upper At-Uriakh camp for meeting their annual mining quota by August 30, 1940. Among the rewards handed out to prisoners for this achievement was a rarefied honor typical of the age in Magadan. In line with his cultural pretensions, Nikishov sent a troupe from the Gorky Theater in town to perform for the victorious inmates.⁴²

In contrast to his revival of incentive programs from the early to mid-1930s, Nikishov did not emphasize Berzin's ethereal goals of inmate rehabilitation. The lofty rhetoric of Dalstroi's earliest years, which included the concepts of "reforging" and "reeducation through labor," continued to fade in importance throughout the 1940s.⁴³ This reflected a political divide between the Old Bolsheviks, within whose ranks Berzin can be counted, and the generation of officialdom represented by Nikishov, who molded the sentiments of late Stalinism. Affected by the catastrophe of the Great Purges and Stalin's harshening political line, younger members of the party elite reflected the more cynical values that had shaped their careers. Although rarefied terminology on the possibility of prisoner rehabilitation remained in their political vocabulary, it did not resonate well with the NKVD worldview recrafted by Stalin and the Great Terror. Even if inmates were no longer to be eliminated or simply marginalized on a wide scale, camp administrators saw them as

42. Ibid., August 31, 1940, 1.

43. In such attitudes, both Nikishov and Pavlov stood directly opposed to the more utopian Berzin. See A. I. Shirokov and M. M. Etlis, *Sovetskii period istorii Severo-Vostoka Rossii* (Magadan: Mezhdunarodnyi pedagogicheskii institut, 1993), 8.

Magadan and the Economic History of Dalstroi in the 1930s 125

equivalent to material investments or other supplies and thus as tools for achieving state policy. Uninterested in the more humanitarian vision of the Berzin era, the new Dalstroi chief concentrated on economic mandates from the Kremlin. Earlier idealistic views served as mere turns of phrase for Nikishov and his assistants, all of whom were jaded functionaries sent to Magadan with the express purpose of reanimating Dalstroi as an industrial concern.

As a means of stimulating production, however, the new measures often did not work according to plan. The state trust was able to return to the output capability of before the Great Purges, but only in relative terms. The camps were an important part of industrial planning in the Stalin era, when various agencies became addicted to the possibilities of vast and cheap inmate contingents. But for a number of reasons, the inefficiency and incompetence of the workforce meant that the standards of forced labor remained low. Aside from the inveterate shortcomings of prison enterprises, the Gulag faced difficulties, rampant in Soviet society, which only compounded this situation. Dalstroi produced large quantities of gold and other minerals, but at lower rates of productivity, partly because of the inherent limiting factor of political repressions, such as the Terror in 1937 and 1938, which reduced economic efficiency in spasmodic waves. Although enshrining industrialization and modernization as long-term goals of the state, the Stalin government was never able to overcome the repressive political inclinations that consistently undermined its own economy.