

KS3 History

Lesson 2 of an enquiry of 4 lessons

# Economic policies

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# Economic policies

In totalitarian countries the rulers have complete control over the public and private lives of the citizens in their country. One way in which leaders extend their control over their population is through their economic policies. In turn, popular economic policies can also increase support for the state.

During the 1930s, Hitler and Stalin used economic policies to gain greater control over the lives of the people in their countries. Hitler focused on reducing **unemployment** and strengthening the economy. Stalin focused on modernising Soviet industry and took away people's wealth and independence in the countryside in order to improve Soviet agriculture.



# Nazi Germany

In the early 1930s the German economy was weak and lots of people did not have jobs. Unemployment rates had soared to 6 million by 1933. As a result, many Germans suffered as they could not afford their rent, and many people's wages were cut. Hitler promised to strengthen the economy and make Germany self-sufficient so it did not need to rely on other countries for resources.

Hitler used his economic policies to strengthen Germany and gain greater control in the 1930s. He believed that reducing unemployment would lead to greater support for the Nazis and would prevent people from supporting his rivals. He also tried to increase support for the Nazis by offering affordable holidays and entertainment to loyal workers.



# Nazi Germany

To reduce unemployment Hitler established the National Labour Service to provide work for the unemployed. He also created jobs in the armed forces and introduced building schemes for motorways, bridges and public buildings. These building schemes created construction jobs for the unemployed and strengthened the German economy. They also provided quicker transport for German industry.

One organisation created to improve the **standard of living** for workers was called *Strength through Joy*. This provided leisure activities and foreign travel and by 1936 it had 35 million members. Hitler hoped that this would encourage workers to enjoy their jobs and work hard to make the nation stronger. However, women and Jewish people had been forced to leave their jobs by the Nazis. So, many Germans may have worked hard fearing they could lose their jobs too.



# The Soviet Union

When Stalin became the leader of the Soviet Union in the 1920s he intended to modernise the economy as it could not compete with other European countries such as Britain and Germany. He believed **communism** would only survive if the Soviet economy was strengthened. He also used economic policies to gain greater control over the workers and peasants in the Soviet Union.

From 1928, Stalin introduced policies known as the Five-Year Plans to rapidly expand Soviet industry. In order to feed the industrial workers, Stalin also transformed Soviet agriculture in a policy known as **collectivisation**. This policy involved forcing peasants to give up their land and independence to join large farms that were controlled by the state. Anyone who refused to accept collectivisation was arrested and **deported** by the state police.



# The Soviet Union

Some more wealthy farmers, known as **kulaks** were reluctant to give up their land and work on state-owned farms. Stalin was aware that collectivisation would be unpopular with the kulaks and viewed them as an enemy of the state. Therefore he decided that he would remove them as a class of people. The state police arrested and deported millions of peasants for refusing to accept collectivisation, this included an estimated 5 million kulaks. As a result, there was a famine in 1932 and the food shortages caused millions of people to die. From 1933, agricultural production began to slowly improve. Despite the huge human cost of collectivisation, Stalin viewed his economic policies as a success. He forced the peasants onto collective farms and had removed the kulaks as a “class enemy.” Collectivisation therefore gave Stalin control over the countryside. Now that the Soviet state controlled the farm, it would be easy to feed the workers living in towns.



# Glossary

**Collectivisation:** the organisation of individual farms into collective farms controlled by the state

**Communism:** a political system which replaces private ownership of property with public ownership and everyone is treated equally

**Deported:** forced to leave a country

**Kulak:** a wealthier peasant or a peasant who withheld their grain from the government



# Glossary

**Standard of living:** the amount of money and comfort people have in a society

**Unemployment:** the number of people who do not have jobs



# Comprehension questions

1. How many Germans were out of work in 1933?
2. Describe two methods used by Hitler to strengthen the German economy.
3. Why did Stalin want to modernise the Soviet economy in the 1920s?
4. Describe two methods used by Stalin to gain more control over the Soviet economy.
5. Challenge question - What were the differences between the economic policies of Hitler and Stalin?



# Return to the enquiry

How did Hitler **or** Stalin use their economic policies to increase their control?

Sentence starters	Key words
<p><i>One way ____ used their economic policies to increase their control was...</i></p>	<p><i>Reduced unemployment National Labour Front Standard of living</i></p>
<p><i>For example,...</i></p>	<hr/>
<p><i>This allowed them to gain greater control of...</i></p>	<p><i>Collectivisation</i></p>
<p><i>Another way ____ used their economic policies to increase their control was...</i></p>	<p><i>Forced peasants to give up their land Class enemy</i></p>

