

The failures of Communist Logistics 1920 – 1990

Richard Vahrenkamp;

Logistic Consulting Berlin, vahrenkamp@gmx.net

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In the 1950s, centralized economies of the Eastern bloc could achieve significant production performance in basic industries and catch up with Western countries in both relative and absolute terms. But the system failed with the production of consumer goods, leading to crisis and stagnation in the 1960s and 1970s. The meager car production failed to transfer enough power to the car lobby for road construction to be pushed forward. The road network was in poor condition; since the 1920s, the problem of "lack of roads" had been repeatedly discussed in the Soviet Union, but the problem was far from being solved. A car culture with service facilities such as workshops, spare parts supply, gas stations and rest areas could not develop under these circumstances. Motorways existed only on short segments – if at all. In the Eastern bloc, due to the lack of a developed consumer goods industry with associated truck-based distribution systems, no logistics in the modern sense existed – characterized by speed, precision and the handling of a large variety of goods – but merely the intermittent supply by rail of under-served markets, whereas the quality of supply was of secondary importance in an economy of scarcity. The low level of logistical services in the Eastern bloc leads to the conclusion that the communist parties only had a confined view of the infrastructure needs of an economy, due to their Marxist fixation on production. Transportation and warehouse management were viewed as services that were secondary to production, without considering that only sufficient transport and storage capacity allows the supply of the goods required for production: Only these infrastructure services enable uninterrupted production and therefore 100% utilization use of production capacities.

Literature: Richard Vahrenkamp: The Logistic Revolution – The Rise of Logistics in the Mass Consumption Society, Cologne 2012