Klychkov i Pustota

Post-Soviet Bureaucrats and the Production of Institutional Facades

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In 1996, Ken Jowitt warned of “mimic democracies” that would rise from the ashes of the Soviet empire and lead eventually to the reemergence of authoritarian politics in Russia.1 Ten years later, Dimitri Furman described a “démocratic imitative,” in which the arbiters of power in Russia produce a superficial approximation of democratic institutions.2 In post-orange revolution Ukraine, officials and observers referring to reforms in sectors as disparate as security and secondary education have described institutional transformation as “imitation” reform.3 In the years immediately prior to Ukraine’s massive street demonstrations of 2004, such characterizations were ubiquitous, as citizens and analysts observed a broad disjuncture between de facto and de jure rules governing political and economic life.

The title of this article refers both to discourses of political and societal change and to the emptiness that sometimes lies behind those discourses. Klychkov and Pustota—respectively, characters in Dmitry Furman’s 1923 novel Chapaev and Viktor Pelevin’s 1999 novel Chapaev i Pustota—together personify the notion of institutional facades: reform without substantive transformation. In Furman’s work, Klychkov is the rational party commissar, friend to the revolutionary hero Chapaev. Petr Pustota, the psychiatric patient protagonist of Pelevin’s novel, carries a name that is the Russian word for “emptiness.” Here, Klychkov and Pustota suggest both the “men on the spot,” the state officials who oversee and undermine processes of social change,4 and the void behind the facades that sometimes result.5

References to partial, superficial, or cosmetic change abound in the scholarly literature on political and economic transformation in post-Soviet states.6 Likewise, scholarship on post-socialist politics in Central and Eastern Europe is full of descriptions of institutional facades: the character of institutional development in new European Union member states is “hollow,”7 and the institutions that have emerged in those states in response to reforms emphasizing administrative capacity and policy harmonization have been described as “Potemkin institutions.”8 Like the village facades that, according to legend, were constructed to impress Catherine the Great during her travels in Crimea at the end of the eighteenth century, some post-socialist institutions exist primarily in the realm of official record. These institutions are of little de facto use to the constituencies they are meant to serve, and their function is not always governance as such. Sometimes, political actors build them to create legitimacy in the eyes of domestic constituencies and international audiences.

Some analyses of Potemkin politics not only acknowledge the existence of institutional facades, but also imagine such facades to constitute the central reality of post-Soviet politics. Andrew Wilson describes post-Soviet politics as complex stage productions conjured by the creative imaginations of political technologists.9 In this view, politics is *dramaturgia* (dramatic art), and the action that unfolds upon the media stage in turn drives all other political life, including the activity of formal institutions of governance.

This article takes a different tack. Performances of democracy may well shape the public’s experience of political life, but Potemkin institutions are not merely the

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product of political technologists' fancy. Further, although facades appear to be characteristic features of post-socialism, not all Eurasian institutions are facades. The performance of post-Soviet politics instead emerges from concrete, structural incentives in particular domains. As political actors respond to those incentives, the resulting drama may seem a post-modern dream, but the economic and social conditions that lead to the performance are real. The nature of Potemkin politics as chimerical and deceptive belies the reasons for their existence, which are tangible, concrete, and durable.

Some scholars explaining the form of post-socialist institutions draw a direct line of descent from the bureaucratic structures of the socialist past to the behavior of contemporary functionaries. At first glance, Potemkin institutions would seem to follow this logic. In almost every area of life, Soviet parchment institutions were fundamentally alienated from politics and economics in practice. The Soviet constitution enshrined freedom of speech on paper, even as legislative institutions failed to protect it in fact. Firm-level incentives developed by economic planners in Moscow led managers to misrepresent production levels as well as expected input needs, leading eventually to the inscription of these distortions in the plan itself. Consumers managed to circumvent official shortages through complex, informal interpersonal exchanges, and on factory shop floors, tolkachi (fixers) managed disruptions in supply chains. However, as this article shows, post-Soviet Potemkin institutions also represent a rupture with the past, as bureaucrats renovate their skills to respond to incentives that are entirely new.

This article examines the development of two institutions in post-Soviet states that are central to economic and political life and linchpins of a liberal order: property rights and elections. These are by no means the only institutions that exhibit features of Potemkin politics, but rural property rights and electoral politics—as they have been practiced in post-Soviet Russia and in Ukraine between 1999 and late 2004—provide analytical leverage on the origins of institutional facades.


Some approaches to understanding the production of institutional facades emphasize a host of domestic factors: Leninist legacies of various types, weak state capacity, and a lack of normative commitment to institutional change. Other analyses of post-Soviet politics acknowledge international factors, ascribing the failures of market or democratic development to the colonial impulses of foreign governments and international lending organizations. This article emphasizes the role of structural, economic incentives at both the domestic and international level. I argue that the origins of Potemkin politics lie in the symbiotic interaction of domestic and international factors. State officials at the local level, in response to incentives generated by national economic policy and the demands of international institutions, performed multi-party elections and market reform at various points during the first post-Soviet decade. The interaction of those demands with the structural legacies of Soviet industrialization policy, and the poverty that interaction generated, provided local state officials with opportunities to reproduce their own political capital by hollowing out the market and political institutions they were responsible for creating.

"One hundred cows for one hundred peasants"

In the early 1990s, post-Soviet governments embarked on programs to decollectivize agriculture and privatize farmland. In Russia, land reform encompassed vast rural expanses of the federation that together comprised a territory as large as Australia. The plan was to reorganize collective and state farms and divide their assets among their members and employees. Those who chose to leave the reorganized collectives to establish a commercial family farm could, under law, take their share of land and non-land assets with them. Like the "forty acres and a mule" initially promised to freedmen in the post-bellum American South, or a post-Soviet version of Chapaev's "one hundred cows for one hundred peasants," land privatization policy in post-Soviet Ukraine and Russia posited a relatively equal allocation of resources among rural dwellers who had spent their labor in agriculture. That division of resources, reformers believed, would lead to more efficient use of resources and a peasant-owner bound to the soil not by the forces of tyranny but by the "incomparable joy of free labor."
According to government statistical agencies and the records of non-governmental organizations alike, the creation of property rights to rural land was an unqualified success. In Russia, by January of 1994, 95 percent of the agricultural enterprises subject to reform had undergone reorganization. Although programs to create private farms were widely judged to have failed, distribution of land shares to former members of collective and state farms appeared to have gone off without a hitch. In practice, new land ownership rights on paper provided a facade behind which local state officials, working in concert with business elites, moved commercial agricultural land out of public control and into the hands of a small number of well-positioned individuals. Land distribution in post-Soviet Russia thus produced a deep chasm between property rights on paper and ownership in practice, prompting some observers to categorize land reform as illusory, even as lasting changes in land tenure have taken place. Importantly, formal land ownership neither improved labor incentives for individuals nor raised the production levels of enterprises. Reformers believed that land privatization would streamline production, but the agricultural enterprises that did thrive in the post-Soviet years largely have managed this through the addition of processing facilities to existing infrastructure—in other words, by expanding existing collective farms rather than shedding acreage or labor.

According to land privatization policy, individual incentives on reorganized collectives would come from rents and dividends paid to worker-shareholders—in this case, former kolkhozniki (collective farmers). However, most reorganized collectives were not able to compete against subsidized agriculture on world markets. Without profits sufficient even to cover operating costs, payment of dividends on land shares was a practical impossibility for most enterprises. Typically, the nominal owners of farmland, worker-shareholders, received a few sacks of feed grain, distributed annually at harvest time for the first few years after privatization. Such rents and dividends hardly exceeded the annual harvest-time distributions of grain of the late Soviet period. From the perspective of producers, private ownership of land brought only tax liability with respect to the authorities, but no perceptible improvement over Soviet-era entitlements.

The low value of dividends did not come about solely as a consequence of an economic environment hostile to agricultural production. Managers of struggling collectives selected particular organizational forms because they paid comparatively less to worker-shareholders. The chief accountant of a collective in Voronezh oblast, for example, when asked about why the collective had chosen a particular form of organization, replied that open joint-stock company shares were too expensive. Enterprise management, therefore, decided upon an agricultural producers' cooperative—the form of private enterprise organization most like a kolkhoz.

Rural and urban populations' increasing reliance upon household agricultural production further subtracted from shareholders' ownership benefits. In the absence of small-scale machinery appropriate for household production, rural people require the assistance of former collectives to plow the fields of their gardens. This and other costs are deducted from rents on land shares, leaving some shareholders in debt to former collectives at the end of the growing season. As a result, most worker-shareholders were, in Katherine Verdery's terms, utterly unable to extract value from their formal ownership of land. Many were thus willing, when the time came, to part with their paper shares for a modest sum.

### Administrative Resource and Elections

If Potemkin property rights came to dominate large swathes of the post-Soviet rural economic landscape, institutional façades also work in the realm of politics through hidden tools of electoral manipulation. Amidst apparently competitive multi-party elections, incumbents' favored instruments of fraud leave little trace. Administrative resource has been the most widely and, it would seem, successfully used of these instruments. It refers to political actors' use of bureaucratic hierarchies and the material resources of public institutions to advance electoral gains. The phenomenon has been observed and discussed in a range of Russian regions, in Eastern

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16 Sel'skoe khoziaistvo Rossii (Moscow: Goskomstat, 1995), 49.
24 Some definitions of administrative resource include the use of financial levers or media control, although those practices are not discussed here.
Europe and the Caucasus, as well as in the states of Central Asia. Administrative resource, together with other tools of pre-election day vote engineering, allows for the appearance of free and competitive elections, even as the outcome of such elections may be partly a product of elite manipulation.

The use of administrative resource to produce Potemkin elections, in which a democratic facade belies manipulation behind the scenes, does not simply generate an impression of democratic rule where none exists. It also provides opportunities for defectors from democracy to develop capacity unseen: elections can function not only as a tool for elites to establish legitimacy, but also as an "instrument of authoritarian control." Yitzhak Brudny has written of the 1999–2000 electoral cycle in Russia that, "these two elections taught the ruling elite how it could use the electoral process to perpetuate its hold on power and destroy political opponents." Finally, Potemkin elections can provide a means by which elites demonstrate to electorates that voter preferences do not drive outcomes: where electoral fraud is routinized, publics come to expect elections to yield illegitimate, but durable results. Voters' participation in such elections is ritualized but emptied of agency and meaning, save for the knowledge that their voices will go unheard by state elites.

In some forms, administrative resource works through the renegotiation of social contracts, as elites convert goods previously understood as entitlements or labor compensation into payments for compliance during elections. For example, in the weeks prior to Ukraine’s 2004 elections, non-partisan watchdog groups documented threats against students and workers in which employers made clear that stipends or salaries would be withheld if the incumbent prime minister, Viktor Yanukovych, did not prevail in their electoral districts. Villagers learned that they would lose access to public utilities such as gas or electricity, or that promised infrastructure development would take place only in the event of an incumbent victory. In Poltavskaya oblast, one village saw its bread deliveries stopped after residents refused to sign a statement supporting incumbent authorities. In some cases, authorities demanded additional resources from constituencies as a precondition for delivering on earlier promises, as in the requirement that Ukrainian students pay new university "fees."

Although instances of administrative resource use have been documented in private sector businesses—particularly in reorganized former collective and state farms—political elites deploy administrative resource primarily in the public sector: in state bureaucracies, social services provision, education, and state-owned or managed enterprises. Its use depends on the existence of institutional administrative hierarchies and on state budgetary allocations to those institutions. Administrative hierarchies provide the mechanism by which superiors transmit orders, and superiors ensure the compliance of their subordinates through a set of economic incentives. Financial links between state and social institutions lend credibility to the state’s threat of withdrawing support. Thus, the institutions most often subject to regime capture for the purpose of altering electoral outcomes are those that rely upon national or regional budgets.

**The Origins of Potemkin Institutions**

How is it that institutional facades have come to characterize multiple areas of post-Soviet political and economic life? What explains the disjuncture between institutions on paper and in reality? Most explorations of political development in post-socialist states focus on obstacles to liberalization rather than the production of institutional facades as such. In many accounts, weak state capacity appears foremost among such obstacles. Under this rubric, Potemkin institutions would emerge as state elites expend resources sufficient to produce a thin appearance of reform, but lack the will or ability to stack bricks and mortar behind the facade. Here, even as the despotic power of the state may be preserved, its infrastructural power (in Michael Mann’s terms) is too limited for genuine institutional development. Other features of weak political development, such as an absence of robust party competition, likewise can obstruct successful liberalization in other domains.

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25 A Google search on January 19, 2007, for the Russian term "administrativnyi resurs" yielded approximately 1,270,000 results.


31 Allina-Pisano, "Informal Politics and Electoral Competition."

32 For example, Steven Fish ascribes failures of democratic reform to weak legislature, insufficient economic liberalization, and the resource curse. Fish, *Democracy Derailed in Russia: The Failure of Open Politics* (Cambridge: Cambridge University Press, 2005).


Alternately, scholars interpreting post-Soviet institutional stasis or entrenchment—understood often in the teleological terms of “failed reform”—sometimes focus on an absence of normative commitment to institutional change or simply the persistence of Soviet-era values. Thus, when Goskomstat (State Statistical Committee) bureaucrats are slow to adopt new accounting systems for demographic data, but rapidly accept new practices in collecting and organizing economic data, the reason is found to lie in bureaucrats’ professional commitments to norms generated under an earlier modus vivendi. Likewise, in the case of land privatization, regional and local bureaucrats engaged in hidden resistance to decollectivization in part because their professional norms demanded it: they understood rural development in terms of heavily capitalized, large-scale industrialized agriculture, rather than small-scale farms and family-based labor organization.

Few of these approaches consider the role of international actors, international organizations, or international norms in producing institutional facades—despite wide acknowledgement of importance of such factors in explaining reform “successes.”

In Furman’s account, the creation of institutional facades represents a conscious effort to mislead on the part of some political actors. If Furman is correct, his argument suggests one of two things: first, that the emergence of Potemkin institutions across a variety of political and economic domains is the product of extensive coer-

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For example, Steven Levitsky and Lucan Way, “International Linkage and Democratization,” Journal of Democracy 16, no. 3 (July 2005).

Ackerman, “Entretien avec Dimitri Fourman,” 255.

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5 See also, for example, Steven Levitsky and Lucan Way, “International Linkage and Democratization,” Journal of Democracy 16, no. 3 (July 2005).

6 Ackerman, “Entretien avec Dimitri Fourman,” 255.

7 Symbioses of local and transnational politics have been observed in other accounts of post-Soviet institutional development, notably Janine Wedel, Collision and Collusion: The Strange Case of Western Aid to Eastern Europe (New York: Palgrave, 1998) and Juliet Johnson, A Fistful of Rubles: The Rise and Fall of the Russian Banking System (Ithaca: Cornell University Press, 2000).

How is it that such policies interacted to prevent business development? With the simultaneous removal of tariffs on imported goods and implementation of privatization policy, new and reorganized businesses are born into a hostile economic environment that can destroy even established, healthy enterprises. In such an environment, businesses liberated from soft budget constraints must compete with their sometimes heavily subsidized counterparts in other countries. Further, with the influx of cheap foreign goods that follow the opening of national borders, and the temporary destabilization of prices for both industrial inputs and manufactured goods that occurs in response to the lifting of price controls, price scissors render production in some sectors of the economy unprofitable. The hyperinflation that frequently accompanies such changes contributes to a lack of predictability and transparency in business transactions involving multiple currencies—a likely situation in the wake of the collapse of empire and emergence of multiple new states. In such an environment, enterprises frequently are unable to pay workers on time, some companies become more reliant upon remaining state subsidies for survival, and individuals who might otherwise pursue private business are dissuaded by the prospect of low or negative profit margins.

The simultaneous implementation of multiple elements of structural adjustment affects not only businesses, but also individual citizens. IMF conditionality during the early 1990s required that states exercise budgetary discipline through reductions in spending rather than focusing on increasing in tax revenue. Budgetary decisions in post-Soviet states thus reflected not only balance of payments problems on the part of those governments, but also their choice of a specific strategy to address those problems. Without rapid development of private sector replacements for services formerly provided by the state, the negative effects of that choice are likely to be long lasting. Spending reductions required by this strategy typically target health care, education, public infrastructure, and scientific research. Reduction of budgetary expenditures thus leads to both infrastructural decline and lowered state capacity in the provision of public services.

In the case of administrative resource, the combination of economic constraints on business development and the decay of public infrastructure made informal political manipulation particularly effective. The successful use of administrative resource is possible where people are compelled, by force of circumstance or geography, to rely heavily upon public sector services, or where poverty creates a very slim margin within which it is rational to take economic risks. Where there are few affordable private sector alternatives, the redefinition of access to health clinics, educational services, and public transportation as a political quid pro quo is more likely to result in public compliance. Furthermore, the decay of public infrastructure—with spotty delivery of services such as electricity, water, and heating outside the electoral cycle—makes the threat of withholding services during election credible. And where people live paycheck to paycheck, the threat of wage withholding is a particularly effective means of compelling people to support incumbent candidates.

Finally, in areas where domestic labor markets are underdeveloped (a condition that prevailed in the wake of the socialist collapse and is likely to accompany structural adjustment in most contexts, as domestic businesses find themselves at a short-term competitive disadvantage), voters may find themselves with few or no alternatives to working for their former employer. Many formerly socialist enterprises in post-Soviet states are societies unto themselves, and employees receive social entitlements in addition to or in lieu of wages: housing, healthcare, education for their children, discounted prices on food and consumer goods, and other services. Where such arrangements continue to exist, managers may easily make use of opportunities for political manipulation. In company towns, company paymasters may also oversee local electoral precinct and there may be less de facto anonymity in the voting process. The same is true on former collective farms, where directors who disburse wages also oversee balloting procedures; in hospitals, where doctor-patient hierarchies create opportunities for electoral manipulation; in universities, where students live and vote in the same precinct; and in state offices. In the case of administrative resource, the combination of Soviet-era industrialization policy and the particular character of post-Soviet economic liberalization created opportunities for bureaucrats to undermine the development of electoral institutions.

Potemkin land rights likewise developed in the context of economically circumscribed autonomy for individuals. Increases in levels of household agricultural production during the 1990s belied those households' continuing reliance on former collective farms for inputs and social services. Price scissors, the destruction of

43 Allina-Pisano, "Informal Politics and Electoral Competition."
45 Allina-Pisano, "Reorganization and its Discontents: A Case Study in Voronezh Oblast."
savings through hyperinflation and currency devaluation, lack of availability of machinery appropriate for small-scale cultivation, underdeveloped rural transportation and storage infrastructure, and a variety of other problems suppressed demand for land. Suppressed demand allowed local bureaucrats to claim they had offered rural people ownership rights to land, but that those people had refused. Meanwhile, local state actors faced other incentives to preserve former collectives in their entirety, avoiding at all costs the prospect of governing a countryside populated primarily by the unemployed.

The Role of Bureaucratic Resistance

If the economic policies of the early post-Soviet period generated incentives that contributed to the production of institutional facades, Potemkin politics also required the participation of state actors as agents of that process. The bureaucrats who are the proximate causal links in the chain that explains the emergence of Potemkin institutions used old tools to address new problems, mustering skills from their former socialist lives to address challenges linked to capitalism and democracy. Political actors who complied with orders to produce particular electoral outcomes in the context of apparently competitive balloting, as well as local bureaucrats who privileged Soviet forms of agricultural production but reported the creation of private ownership rights, drew upon Soviet-era administrative practices in response to the incentives created in a new economic environment.

Some accounts that privilege the role of state actors attribute the nature of institutional change in Eastern Europe to direct bureaucratic legacies of the communist past. However, it is important to note that it is not possible to draw a straight line from Soviet practice to the present for either of the cases considered here. Verderby observes that, “what might look like legacies are better seen as responses to quite contemporary processes.” Bureaucrats did not have immediate use for certain skills cultivated during the Soviet period; for both land privatization and multi-party elections, the first years of liberalization were relatively successful. Potemkin institutions developed only later, partly in response to difficult economic conditions. Only


Allina-Pisano, “Sub Rosa Resistance.”


Kitschelt, Mansfeldova, Markowski, and Tóka, Post-Communist Party Systems.

Verdery, The Vanishing Hectare, 11.

then did practical opportunities for making use of new property rights dissipate and political elites begin to resort to authoritarian tactics in conducting elections.

For example, after the fall of the Soviet Union in 1991, the largest wave of private farmers leaving collectives to start their own businesses occurred in Ukraine and in Russia within the next three years. After that brief period, it became more difficult for those who wished to leave collectives to do so—both because of greater resistance on the part of local elites and the disappearance of material support for private farms (credit at reasonable rates, subsidies for purchase of farm machinery, and so forth). Joel Hellman provides an explanation for the initial gains of economic liberalization and subsequent stagnation: early winners usurp the gains of the first rounds of reform and then stall subsequent reform. However, in the case of land privatization, those who benefited during initial rounds of privatization were vocal advocates of further distribution of land.

Likewise, the first electoral cycles in some post-Soviet states included genuinely competitive, multi-party balloting. In Ukraine, where the use of administrative resource has been most widely documented, this tool of authoritarian consolidation did not emerge as a decisive instrument of electoral manipulation for close to a decade. In other words, independent Ukraine experienced six years of relatively free political contestation before the Kuchma regime was able to render elections and referendum largely predictable affairs. Similarly, centralization of political power and consolidation of national parties in Russia did not occur until the late 1990s.

Hellman, “Winners Take All.”


Some would say the outcome of the 2004 elections was genuinely uncertain. It was clear to many observers, however, that Viktor Yanukovych would prevail in the second round of elections through the use of administrative resource. Only Andrew Wilson predicted the massive street demonstrations that followed. Discussions at workshop “Understanding the Transformation of Ukraine: Assessing What Has Been Learned, Devising a Research Agenda,” University of Ottawa, October 2004.
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“Fedka, why waste paper?” Andreew would say. “Why bother writing down every bit of nonsense? What does it matter who did what, who said what—can you possibly capture everything? But if you’re going to write, you’ve got to write it all down, understand? It makes no sense to write down only a part, it’ll even do damage, because you’ll be misleading people.”

The failure adequately to integrate local incentives generated by economic policy choices into causal accounts for limited liberalization or the genesis of Potemkin institutions—even as international factors are so readily identified as crucial determinants of policy successes—may indicate an epistemological, as well as an analytical, problem. Critical analysis of economic reform is nearly a cottage industry in post-Soviet politics. However, such critiques center primarily on the political shortcomings of economic policy implementation from above rather than on the political consequences of those policies’ short-term economic effects. Here, the epistemological problem lies in the confusion of outcomes that bear a phenotypical resemblance to Soviet-era practices with a genealogical linkage to those practices: similarities between past and present do not necessarily indicate an unbroken line of continuity with the past.

An example from rural political economy illustrates this confusion. Economists have documented cases of deindustrialization and “de-development” across post-Soviet space. However, some observers consistently have interpreted the existence of that poverty as an indication of cultural or political deficiency, whether that deficiency is manifest in corrupt leadership, societal resistance to capitalism, or in a recapitulation of lathe nineteenth-century colonial tropes, a population congenitally resistant to work.

Thus, a visitor to the Ukrainian countryside at the turn of the millennium would have been likely, in late autumn or early spring, to observe young men, long straps over their shoulders, pulling wooden ploughs through cleared fields. Such a landscape, in which agricultural machinery, irrigation systems, and other accoutrements of twentieth-century rural life are absent, could suggest deeply entrenched poverty and a “backward” population.

Only a decade earlier, however, the same fields had been worked by tractors and combines and watered by rolling sprinklers. The introduction of national policies of economic liberalization wreaked havoc upon agricultural production in the countryside, producing a prolonged scissors crisis in which the market prices of agricultural commodities rarely exceeded the cost of their production. The elimination of price controls on industrial goods, just as post-Soviet governments threw open the doors to international trade, created an environment in which even previously healthy enterprises were unable to compete. In the space of a few years, tractors and combines were used until they were beyond repair, and enterprises villagers, in the words of their bemused and irritated neighbors, “privatized” the metal that carried water to the fields and sold it for scrap.

Understood in the context of the recent past, in which most post-Soviet policymakers temporarily rejected Marxist-Leninist approaches in favor of the libertarian economic theory promulgated by international lending organizations, the story of retrograde bureaucrats and backward peasants erecting obstacles to progress no longer holds. Instead, the policy choices of the years between the Soviet collapse and authoritarian renunciation contain a key to the puzzle of post-Soviet economic outcomes. In the case of rural poverty, infrastructural decay and an economic environment hostile to business, rather than political, economic, or cultural stasis, explain the replacement of machinery by human labor. In this light, the young men tilling Ukrainian fields are not members of a timeless peasantry opposed to forces of modernization. Rather, like Benjamin’s angel of history, they are accidental witnesses to progress, their wings beaten back against the wind.

Such confusion may in part be a product of social scientific methods of research. Much of political science, including work in political economy, accepts as given official narratives of democratization and property rights creation, including the existence of competitive elections and “ownership societies.”

56 There is general agreement about the effects of economic liberalization in rural Russia. See, for example, Steven K. Wegren, Agriculture and the State in Soviet and Post-Soviet Russia (Pittsburgh: University of Pittsburgh Press, 1998), 88.
60 Hough notes that Russian reformers repeatedly referred to state weakness in order to deflect blame for policy failures. Such claims then entered the literature as neutral observation.

53 Dmitry Furmanov, Chapaev (Moscow: Molodaiia gvardia, 1957), 34.
54 Reddaway and Glinski, The Tragedy of Russia’s Reforms.
land privatization, many political and economic analyses of property rights development rely upon the measures and laws produced by governments and organizations involved in reform. The informal mechanisms that prevent rural people from using nominal property rights do not appear in these empirical records, nor can they be discerned in the structure of parchment institutions. In the case of elections—particularly the pererybory (re-elections) of entrenched national executives—informal techniques of voting manipulation may not be evident on the world stage until years after their institutionalization. In the case of Ukraine, administrative resources were in use in elections by 1999, but widespread international recognition of that fact followed only upon the mass mobilization campaigns in that country of 2004.

Acceptance of formal narratives of policy outcomes, and the trail of data that they leave, can occlude our vision of the processes by which poverty and political domination are reproduced. To the extent that tools of social science research and policy assessment do not allow policymakers to discern the existence of Potemkin institutions in good time, and to the extent that local elites may have reason to trumpet their own accomplishments, early indications of superficial success may mislead.

In recent years, dominant narratives of political development in post-Soviet Russia and other post-Soviet states thus indicate a “surprising” reemergence of authoritarian rule and executive consolidation—reemergence that has subsequently been imputed in the popular Western imagination to an historical predilection for tyranny in Eurasian societies. Potemkin institutions provide shelter for such changes in their early stages of development; when a new political phenomenon finally emerges, it may be taken for something that has been there all along. Instead, however, such change may be the result of more inmanent processes. Here, the language of literary accounts may best capture the phenomenon, as the local arbiters of institutional transformation are less assured, politically astute Klychkovs of Furmanov’s post-revolutionary heroic landscape than surprised Petr Pustotas of Pelevin’s Moscow psychiatric ward, awoken into the confusion of post-Soviet politics and compelled to make decisions in response to a strange new world.61

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61 Viktor Pelevin, Chapaev i Pustota (Moscow: Vagrius, 1999).

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In informal networks in postcommunist economies

A “Topographical Map”

Alena V. Ledeneva

The postcommunist transition in Central and Eastern Europe is often associated with the Soviet legacy, informal economy, and a “captured” state—a state in which particular group interests dominate the policy-making process, when these interests in an illicit way shape the rules of the game. The state can be captured by oligarchs and predatory elites; formal institutions can be penetrated by informal networks. Assessing the role of informal, or social, networks is perhaps most difficult.

In order to answer the questions of whether the impact of social networks in postcommunist economies is diminishing, whether they are conducive to state capture, and whether the postcommunist reforms change the nature of social networks, it is essential to “locate” social networks on a “topographical map” of approaches to the study of networks, analyze the ambiguous nature of networks, define the key features of networks that are associated with the informal workings of Russian society, and assess the prospects of the instrumental use of social networks in postcommunist contexts.

Most postcommunist network studies in the 1990s have been relatively unrelated to the general field. Once the initial “one size fits all” prescriptions of Western specialists and international financial institutions failed to deliver equally positive results throughout the region,1 some alternatives had to be found. In a way, focus on informality appeared to be a response to the difficulties of the theories of transition. In the search to find reasons why the Western model had not proven directly applicable to all the transition economies, it became apparent that Western prescriptions had not taken into account the fact that the command economy had relied heavily on complex social networks to compensate for its economic defects. My own research into blat, the use of personal networks for obtaining goods and services in short supply and for getting things done in Soviet Russia, has given some explanatory power.2 In fact, it could be argued that success of transformation is in a reverse proportion to

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