

privatization policies has undermined local cohesion, which in socialist times supported an ebullient ritual life, intimately related to household self-provisioning. This has been severely attenuated in recent years due to the collapse of the socialist agricultural synthesis. Creed interprets this 'ritual retrenchment' as a diminution of the villagers' social capital. The implementation of Western development advice has paradoxically hindered potential entrepreneurs from responding to the demands of the new market economy. In a similarly vicious circle in the political realm, culture is depolitized, financial support is withdrawn, and, stronger forms of ethnicity and nationalism seem to be replacing the celebration of more local forms of identity. Democratic elections may also be seen as a new form of ritual; participation rates have declined, because many people no longer see any possibility of improving their lot. (Turnout rose slightly in the election of 2001, as this volume went to press; it remains to be seen if the coming to power of the country's former King will now remould party politics and perhaps intensify the ritual dimension.)

Rural Bulgaria also provides the setting for the third chapter of this section, in which Christian Giordano and Dobrinka Kostova show how, in the historically and ecologically distinctive region of Dobrudzha, decollectivization has led to the emergence of a new 'awkward class' of entrepreneurs. The elites of the capital imagined that they could restore smallholder agriculture as it had existed half a century previously, but local people saw the economic absurdity of this aspiration only too clearly. The successful *arendatori* resemble the ex-managers identified in Hungary by Lampland, and the majority of new landowners have little option but to rent out their land to them. The authors emphasize the political dimension of these developments, which they view as the latest manifestation of a gulf of mistrust of urban powerholders that originates in the centuries of Ottoman rule. As a result of their attempts to impose policies that take no account of local economic and demographic realities, the new elites have squandered their legitimacy.

The advantages of being collectivized

Cooperative farm managers in the postsocialist economy¹

Martha Lampland

Collectivization has gotten a bad rap. Like so many of the other policies of the socialist regimes of Eastern Europe, the manner of its implementation has overshadowed the social and economic benefits the policy provided rural communities. The Hungarian case is instructive. From the 1970s onward – that is, from the final consolidation of large-scale, mechanized agriculture – social observers regularly lauded party officials and agrarian specialists for having worked out a reasonable compromise with villagers. For many commentators, the key to success was a thriving 'second economy' in agricultural production (Rév 1987; Swain 1985). Less often mentioned, but crucial to this success, was the thriving cooperative sector, which was a crucial player in facilitating the ease of private production and ensuring the wealth of second economy agriculture. Once decollectivization became a possibility, what happened to the rosy picture of the Hungarian agricultural economy? The assessment of collectivized agriculture has been hijacked by property rights enthusiasts, whose interests in private property have eclipsed questions about the actual character of production. Socialist collectivization has been decried, and rightly so, for taking away families' land under duress, forcing villagers to become dependent upon the state for a job and benefits. Yet cooperative production is not a problematic form *per se*, only when the participation of members of a cooperative enterprise is restricted politically, as was the case in socialist countries. On the other hand, collectivization modernized agricultural production in positive ways: amalgamating lands to create better economies of scale, mechanizing production to reduce the physical toil of workers, and improving the access of producers to up-to-date scientific research. During the period of collectivized agriculture in socialist Eastern Europe, many countries, not least the United States, underwent comparable processes of modernization in agriculture. So the question arises: just what aspects of cooperative agriculture were irremediably socialist, and what features are shared more widely in modernized, capitalist economies? More to the point, understanding the dynamics of the postsocialist agricultural landscape requires a close attention to distinctions between property relations, modernized production and cooperative management practices. If these simple

differentiations are not made, then we will be ill-equipped to analyse the current transformation of economic practices.

The purpose of this investigation is to criticize a prominent view of the transition in Eastern Europe. In this perspective, a simple change in the structure of institutions would be necessary to transform these economies, removing barriers to participation in international commerce (Åslund 1994; Brada 1993). Missing from this view is the simple but crucial insight that institutions are peopled by local actors, for whom the patterns of thought and action characteristic of the previous regime are normal and routine. The difficulties aid agencies and other frontline organizations have encountered in Eastern Europe are not due to intransigence, ignorance or incompetence, as some would have it, but to the very simple problem that learning new ways of doing business takes time. It is difficult to alter habits, ideas, opinions people hold of themselves, of others and of the world around them in short order. Moreover, people live within complex social relations: ties of affection, respect, obligation and reciprocity. A radical change in economic activity requires not only a change in thinking, but a restructuring of the larger social world of which one is a part. Actually, refiguring one's social relationships is far more difficult than learning new habits. In contrast to the views of liberal economists (and ironically, their Marxist-Leninist predecessors), I do not believe that attitudes and practices change quickly or easily, even when much effort is expended in altering the institutional context. It takes years of altered circumstances and new experiences to change the way people think and act. We are witnessing this transformation in Eastern Europe, but must recognize it for what it is: a slow yet thorough transformation of social community and social thought.

Advocates for radical and rapid social change tend to disregard the complex social and cultural worlds in which people live. Perhaps more importantly for the current analysis, these advocates disregard what people *have been doing* in the recent past. For 'big bang' theorists, what preceded the transition is irrelevant. More accurately, the past is anathema and must be eradicated. The tendency to dismiss the consequences of local socialist history is problematic, and arises from two misconceptions. The first is a general point about why history matters, or what otherwise might be called the constitutive power of social action. Socialism was not simply a package of bad economic policies, but a complex social and cultural world in which people lived and worked. No matter how much people resisted or rejected principles promoted by the Communist Party, they lived in a world which was transformed by the socialist project over time. Late Hungarian socialism bore little resemblance to Hungary circa 1945: millions of impoverished peasants, far fewer skilled workers and a smattering of déclassé aristocrats. Attitudes to work, to business, to property and to leisure have been altered in the course of building socialism. Without a clear theoretical understanding of the way actions and ideas combine into a complex social process of being and becoming, analysts will reinforce – either explicitly or implicitly – the political agendas of those who argue that we can simply

return to the 'proper' trajectory of capitalist development, abandoned in 1948. This zero-sum game thinking – they lost, we won – might be a good way to mount a political campaign, but it is a very poor means of analysing social history. It also justifies the restoration of *particular* social and cultural elites. The rush to bring counts and countesses back home seemed rather comical in the early 1990s; the larger point, about who has a right to lead society and why, is a political question for today's society, not yesterday's. Furthermore, the kind of thinking which suggests that we can turn back the clock, or at least return Eastern European societies to a 'normal' economic foundation, is based on an analogy with the transition to Stalinism in the late 1940s. This is the second misconception which underlies much work in the present transition, and is related to the first. It has long been assumed that the transition to Stalinism entailed a rapid and dramatic change. Nationalization of schools, banks and industry was followed in short order by the collectivization of agriculture. Private property was appropriated by the state, unreliable bureaucrats were replaced with loyal party cadres, and production was organized according to national economic plans. In fact, the image of a simple model and an omnipotent state bears little resemblance to the actual process whereby Stalinism was implemented. Our assumptions about the radical departure of socialist economics have been fed by years of Cold War politics, and the political restrictions on scholarship. History is now being rewritten, showing that the Stalinist transition took many years, and was fraught with obstacles, compromise and occasional failure (Krementsov 2000; Lampland 1997, 2000; Péteri 1997; Pittaway 1999). It is precisely the quicksand of politicized conceptions of historical change – be they Marxist-Leninist or Western triumphalist – which should be avoided. Working from a theoretically informed understanding of social action, anthropology and social history prods us to eschew superficial readings, and consider in more rigorous fashion just how such transitions occur, and why.

This chapter considers the new agrarian elite in the first half of the 1990s.² It represents a portion of a larger project designed to investigate how social relations and cultural views influence the process of economic transition.³ How do ideas about how the world works, and should work, affect state policies and private initiatives in periods of economic transition? How do professional and personal networks play a part in structuring new institutions? Here I shall discuss the social conditions which facilitated the acquisition of properties by former managers of cooperative farms since 1989, and examine the advantages that former socialist managers commanded in running capitalist businesses, advantages which, I argue, are based on their experiences in the late socialist economy.

Initial studies of decollectivization in Eastern Europe have provided us with stimulating analyses of land reform, a process wracked with far more difficulties than many of their proponents would have imagined (Creed 1995; Hann 1996; Kideckel 1995; Kovács 1996; Swain 1994). Years of collective production have substantially altered the landscape, making restitution of family properties nigh

on impossible. The intricacies of local governments, the questionable actions of land restitution committees, confusing legislation and the nightmare of resolving irreconcilable legal claims has made what to many seemed a simple process of getting their land back into a long and embittered battle (Verdery 1994). The danger, however, is that in the all too understandable focus on the legal revolution in property rights under way in Eastern Europe, the actual practices of new farms would be obscured. As skirmishes over property claims subside (or at least fester), we must turn our attention to the actual activities of managing post-collective farms to understand in what direction the economy is going. After all, the transition depends on a revolution in business practices as much as anything else. Indeed, I would argue that a serious understanding of 'transition economies' depends on a clear picture of how managers are transforming former cooperative farms into viable capitalist businesses.

Domains and relations in the social world

In the first several years of the transition, there were fears that Communist elites would transform their political advantages into economic ones. Initial fears had much basis in fact; all of those working in the region can recite tales of brazen appropriation and rapid enrichment by former party elites. Concerns about pernicious alliances within the economy – often referred to as mafias to underscore their insidious techniques – were also frequently discussed (Wedel 1998). These fears were based on more than concerns with social justice, a goal many held dear in their struggles against the socialist state in years past. Specialists worried that these new conglomerations would seriously deform the economy, preventing the development of a free market and hampering the transition to a truly capitalist economy (Staniszki 1991; Stark 1990; see also Verdery 1996: 168–203). Accordingly, a number of analysts threw themselves into studies of elites, in order to determine to what degree brute power and malfeasance among politicians would explain the reconstitution of elites, and what other, more subtle and powerful mechanisms might be at play. The results of these studies demonstrate that political position is an insufficient explanation; a more complex and theoretically satisfying interpretation lies in the role of social and cultural capital in the Eastern European transition (Czakó and Sik 1995; Grabher and Stark 1997; Kuczi 1996; Róna-Tas and Böröcz 2000; Szalai 1997). My work builds on these studies, focusing specifically on the agricultural sector.

There are two major strains in the social analysis of the economic transition. These are, first, studies considering the role of social capital, trust, knowledge and experience, and second, studies which consider the role of formal and informal structures within the economy. The approaches overlap in important ways, but I wish to distinguish them analytically. In both strands, the primary question is to what degree new economic activities are constrained by socialist practices, often referred to as the 'legacies' problem (Jowitt 1992; Comisso

1995). In the first approach, attention is paid to the character of social relations within the economy, generally distinguished as formal or institutionalized relations and informal connections. In the second approach, the nature of economic activity is at issue, rather than the specific social relations which give form to economic patterns. Hence the focus is on sectors of the economy, e.g. the formal and informal domains of economic practices and everyday interactions. It should be obvious that institutionalized relations are correlated with the formal economy, whereas informal relations are found in the informal sector. Although these two approaches dominate the field, they fall short in the social analysis of postsocialism. The problem lies in analytic categories being too narrowly or arbitrarily restricted. The world is broken up into seemingly exclusive domains such as formal and informal sectors or socialist and capitalist practices, which do little to illuminate the form and character of social processes.

Social capital and experience

Scholarship on social capital analyses the role of social relations as assets which complement other, more traditionally recognized economic benefits, such as financial resources, access to desired market position, and timing or first-mover advantage. The study of social capital has grown rapidly over recent years, being taken up by analysts committed to different theoretical traditions and for different purposes (Portes 1998). There are three main strands of scholarship, approaches we may distinguish as that of the rational choice school, exemplified by Coleman, the community-centered approach of the political scientist Robert Putnam, and the insistently sociocultural approach of Bourdieu.

One may define social capital in the simplest terms as the value of significant social connections to one's career in school, business or politics.⁴ The manner in which analysts understand how social capital is deployed by social actors, and its analytic purchase in social analysis, differs among the various schools. Coleman, who works with a theory of rational action, cleaves to an economic subject, who calculates self-interest and manipulates resources. The advantage of social capital, Coleman states, is as 'an aid in accounting for different outcomes at the level of individual actors and an aid toward making the micro-to-macro transitions without elaborating the social structural details through which this occurs' (1988: 19).⁵ In Robert Putnam's work (1995), social capital resides in the community as a whole, an emergent quality that arises from the participation of community members in various activities, foregrounding the role of trust in community relations. The notion that communities need a counterbalance to intensely individuated and self-interested actors is based on the vision of a rational actor, a feature Putnam shares with Coleman. This approach reinforces the common tendency in the sociological literature to evaluate social capital only in positive terms, overlooking its negative consequences (Portes 1998). Bourdieu's approach is different, since he examines the dynamics of

capital in a world inhabited by essentially *social* actors, made through practices and embodied in *habitus*. Enduring cultural ideas and a history of practice constitute the foundation of Bourdieu's analysis; they are not an afterthought or remedy to an insufficient model, as is the case for those working with rational choice theories.

Studies of social capital in the East European transition have drawn inspiration from the work of neo-institutionalists or evolutionary economists (e.g. Murrell 1992, 1993; North 1992; Stark 1992, 1996). This approach constitutes a direct challenge to the neo-classical or neo-liberal approach to economics generally, and the transition in particular (Przeworski 1993). The central disagreement between evolutionary or neo-institutional economics and their neo-classical colleagues is found in their contrasting understandings of human motivation, notions which have implications for building institutions in the postsocialist economy. In a neo-classical world, people act according to their immediate interest, situated within the present (and future) decision-making context. Thus, the past is irrelevant, since one is free to act according to one's perceived interests. Moreover, a swift transition is desirable precisely because it eliminates incentives for inefficient and costly behavior associated in the minds of these scholars with the world of socialism. New institutions can and should be built quickly, depriving elites tied to the past political and economic system of the ability to live off the state. Any intransigence to new ideas would be a sure sign of corruption and rent-seeking.⁶

Evolutionary economists, in contrast, are far more sanguine about the nature of social relationships in economic activity, and look to past actions as a means of explaining behaviors to be anticipated in the present. They are thus less apt to consider malfeasance or intransigence to be the cause of difficulties in the transition and more apt to see that learning new ways of doing business takes time and effort. Murrell criticizes shock therapists for their technocratic hubris, identifying in their work two crucial, but faulty assumptions: we know how capitalism works; and 'the technocrat's creations will have a powerful and salutary influence' (1993: 118). Murrell offers a historically nuanced understanding of modern economies, proposing that there are a variety of capitalisms, evolving from historically divergent and culturally complex circumstances. This perspective rejects the simplistic models of neo-liberal theorists, recognizes both the diversity and complexity of economic systems, and sees these systems as products of historical processes.

Formal and informal domains

Neo-institutionalists are often grouped with evolutionary economists, although the emphasis is somewhat different. Neo-institutionalists, such as North (1992), focus on the role of ideologies and institutions in economic action. This perspective presumes the significance of historical processes, insofar as there is an understanding that formal rules do not exist in a vacuum but within a world

of informal rules and subjective views. North distinguishes between formal rules and informal constraints, in order to emphasize the disparity between how organizations have been designed and how people may act, sometimes disregarding the rules of the game. North's discussion of ideology and informal constraints is intended to correct a central weakness in neo-classical economics. 'It would be little exaggeration to say that while neoclassical theory is focused on the operation of efficient markets, few Western economists understand the institutional requirements essential to creating such markets, because they simply take them for granted' (478). His approach is compatible with that of the evolutionary economists, though he appears far less concerned with the systemic consequences of economic forms, such as the possibility of multiple capitalisms, than with figuring out how formal rules, informal patterns and subjective elements interact in particular contexts.

Much work in the study of economics by anthropologists has been a direct critique of economism, utilitarianism and the rational individual (Polanyi 1968; Sahlin 1972, 1976). Accordingly, the analytic conceptions of economists – even those attempting to understand social change from a more historical perspective – have little credence among anthropologists. David Stark, who has written extensively on the transition (1990, 1992, 1996), differs from North and other, more economically inclined neo-institutionalists by building on the work of Bourdieu in analysing institutional *practices*. This brings us far closer to the conceptual world of anthropological inquiry. Nonetheless, Stark does share with North a simple division between formal and informal components of the economy. He posits that in the postsocialist transition formal institutions (practices) will expire, while informal practices will continue.

The existence of parallel structures (however contradictory and fragmentary) in these informal and interfirm networks that 'got the job done' means that the collapse of the formal structures of the socialist regime does not result in an institutional vacuum. Instead, we find the persistence of routines and practices, organizational forms and social ties, that can become assets, resources, and the basis for credible commitments and coordinated actions in the postsocialist period ... In short, in place of disorientation, we find the metamorphosis of sub-rosa organizational forms and the activation of preexisting networks of affiliation.

(Stark 1996: 994–5)

Stark's discussion of parallel structures refers to much work, his own included, which analysed the significance of informal structures, second economy economic activities – indeed, the whole concept of a second society in late socialism (e.g. Gábor 1979; Hankiss 1988; Róna-Tas 1997; Stark 1986, 1989; Wedel 1986).

Is this division between formal structures and informal networks, routines and practices a helpful one in analysing the historical impact of socialism? The

notion of the second economy and second society was a powerful one in Eastern European societies, not only because it captured important components of economic activity outside the state sector, but also because it corresponded to a deep desire on the part of many socialist citizens to distance themselves from the socialist project. Yet, as I have argued elsewhere (1995: 332–3), the quick and easy division into first and second, public and private, repugnant and moral domains of social life may tell us much about how people wished to live their lives, but not in actuality about how their lives were lived. In other words, the concept of second society, which resurfaces here as the informal, was a deeply ideological stance among the region's inhabitants (Hann 1990; Lampland 1995). Escaping the public for the private world was considered the right moral choice for socialist citizens; engaging in or, worse yet, promoting public ends was a sullied, disreputable activity. Hence the recurring emphasis upon the significance of the informal sector or second society was as much an argument for the integrity of socialist citizens in the face of a repressive state apparatus as it was a description of *some* of their daily affairs. It is not a useful, or even adequate, *analytic* tool for describing how people's actions and their ideas took form over time. The impact of socialism cannot simply be parsed into ephemeral public activities and enduring private or informal practices.

Let me illustrate my discomfort with the formal/informal division for analysing the transition with two examples. The practices of planning budgets for enterprises were complex and convoluted. Costs of production had to be calculated, machinery amortized, various taxes and insurance costs figured; all this had to be coordinated with the current state of legislation and edicts concerning enterprise management. We associate these kinds of innovations with the development of agro-business. The accounting procedures of socialist planning were a far cry from the management practices of manorial estates, much less family farms prior to 1948. Since 1989, new accounting practices have been advocated to correct for the discrepancies between enterprises working toward brute growth in a socialist model, and working toward bottom-line profits in a capitalist model. Presumably the new accounting procedures being introduced would be an example of a change in formal rules. Does that mean that knowing how to manage a complex book-keeping system is an informal practice? Or would we define it as an experience, learned over years of running a farm, as an evolutionary economist might? In what sense is the complex set of assumptions about prices, costs, calculation, utility a less formalized set of practices than a particular subset of cost accounting procedures advocated to improve the calculation of profit? Stark classifies informal practices and routines as those activities which 'got the job done', implying that these were the myriad ways people managed despite the enormous difficulties of the socialist economy.⁷ These sorts of clever machinations were well known in socialism; János Kenedi's book, *Do it Yourself*, is a comic masterpiece retelling the convoluted procedures required to build a private house in late socialist Hungary (1981). Is the ability to work around the law a practice which will

continue in capitalism, while the ability to manage a set of books will not? Running a Hungarian business today assumes a world in which value is calculated in numbers and codified in record books, even if some citizens are less able to do this task than others. Figuring value in a far more volatile market environment may be new, but the techniques of calculation are not.

Another example. The transition to socialism has entailed a substantial shift in everyday temporal practices. Prior to 1948 the large majority of Hungarian citizens had been employed in agriculture, where the work day was defined as beginning at sunrise and ending at sunset. Thus, the change to workplaces with new temporal registers – hourly wages and, more commonly, norms which tied activity to smaller units of time – was a major transformation. We know full well that the introduction of finely calibrated wages and time-clocks did not ensure a steady flow of work throughout the day, or even throughout the year, as factories were plagued with shortages and then forced to engage in storming when materials became available. Government bureaucrats were also known to pace their work in creative ways, straying from their offices during the paid work day to take care of personal affairs. No doubt the work pace in the new capitalist enterprises is more intense than was characteristic of most socialist factories; I have been told so on more than one occasion. So the pace of activity in capitalism will be greater; will the conceptual pairing of money and effort be irrelevant to the capitalist workplace? Will workers stop arriving on time, or forego lunch and other breaks as legitimate employee rights?

I am arguing that the cultural world of former socialist citizens has been profoundly altered by socialism. These changes have affected a wide range of practices and routines, which influence the character of economics in a direct way: concepts of time, practices of calculation, routines of production. In the rush to condemn the entire socialist enterprise, a wide range of practices have been demonized as poorly designed and unnatural products of Soviet statism. Yet many of the techniques of the socialist economy – productivity norms, long-term budgeting strategies, anti-inflationary measures, to list only a few – were commonly deployed elsewhere in the capitalist world, with more or less success. 'Transitologists' have a narrow conception of institution, even in Stark's more nuanced understanding of practices and routines. The bounded character of economic domains implicit in this work excludes consideration of the complex cultural world in which they are embedded. This no doubt derives from the tendency in much social science research to take European modernity for granted, rather than seeing it as a cultural revolution of recent origin. Accordingly, significant transformations that accompany socialism are ignored, even though they are direct products of this era. To recover the particularities of Eastern European history, we must expand our vision of the social world to encompass the cultural beliefs and practices many of us have long taken for granted. It also requires us to shift our perspective from one of exclusive domains – such as the formal and informal, or public and private – to one of overlapping, interdependent realms of activity. By analysing the tos-and-fros of

social interaction, the mutually reinforcing conceptions of time, effort, money and goods implicated in a wide range of activities, we will be better able to judge analytically how to parse the world into socialist and capitalist, past and present, lingering and emerging.

Bourdieu

Let us return now to the work of Bourdieu, the richest and most provocative theorist among the holy trinity of social capital theorists I evoked. Bourdieu emphasizes how sociocultural relations are built, lived and embodied. He does not simply point to the value of connections between actors, but to how these relations take on a particular form, correlated with, but not reducible to, economic capital. His critique of economism is trenchant, and of particular value here. Moreover, he specifies that these relations are created in the mundane activities of everyday interactions and the more ritualized forms of family parties and school celebrations. In this way, he highlights the importance of time. The vibrancy of a network depends upon its constant renewal and the subtle exchanges which take place in these repetitive encounters (cf. Williams 1977). Finally, Bourdieu points to the inequalities that are generated by the disproportionate distribution of capital within society. He thus combines a subtle analysis of the relations which create social capital over time with a sustained analysis of the inequalities within society that such practices of exchange create and reproduce. For virtually all the analysts of the transition, the question of inequalities – of the past, and emerging in the future – are of central concern. Yet Bourdieu extends his analysis of the way in which economic, social and cultural capital build on each other to examine how these privileges are masked, making the on-going process of building and retaining privilege less visible.

A general science of the economy of practices, capable of reappropriating the totality of the practices which, although objectively economic, are not and cannot be socially recognized as economic, and which can be performed only at the cost of a whole labor of dissimulation, or, more precisely, *euphemization*, must endeavor to grasp capital and profit in all their forms and to establish the laws whereby the different types of capital (or power, which amounts to the same thing) change into one another.

(1985: 242–3)

It is to Bourdieu's credit that he states the obvious point that capital is about power, an element in the study of inequalities which is strangely missing from the other theorists discussed. This general theoretical oversight in the literature on social capital is paralleled by a similar neglect of class in the Eastern European transition.⁸

Practices of euphemization are not restricted to publicly undervaluing the

significance of social contacts. Cultural capital is manifested not only in material objects, but also in embodied states. This concept is not only useful for grasping the complex dynamics of *habitus*, but also for evaluating claims about character or personhood which justify inequalities. Explanations for success and failure in capitalism are often framed within a world view which emphasizes personal achievement of the successful and major failings of the less so. The ability of certain citizens to wrest goods and opportunities from others is deftly explained by the inherent abilities of the actor, rather than by the complex social processes of social and cultural capital which ensure success. This Horatio Alger mentality is not new, however. It was one of the most striking features of late socialism in Hungary, so at odds with what one would have assumed to be the dominant theory of effort and inequality in socialist society.

In the case to which I now turn, the social capital of former socialist managers is complemented by their educational training, knowledge, skill and experience of managing large farms. Long experience in running a farm and the extensive contacts developed in the socialist period appear to be more crucial than education in enabling managers to operate successfully in the new market economy.⁹ Furthermore, I shall argue that neither qualifications nor friendships from the socialist period are sufficient to ensure success in the ever-shifting agrarian market. The advantages he¹⁰ enjoyed in the immediate postsocialist years must be renewed and enhanced, if success is to be maintained.

Land reform

Legislation governing land redistribution and the restructuring of cooperative farms was passed in 1991–2. In a complex process, cooperative lands were divided among former land owners, cooperative farm members and former employees (Swain 1993). The mechanism for returning land to former owners was strongly influenced by the Smallholders' Party, one of the three coalition parties in the government elected in 1990 (Comisso 1995). The plan to convert socialist enterprises into small, independent family farms did not make much sense, since small farms are not suitable for the large-scale grain production on which the country had come to depend. Indeed, it was rejected by the large majority of those working in agriculture.¹¹ The anachronistic vision of the Smallholders was explicitly intended to disenfranchise former socialist managers, the so-called Green Barons, who personified the evils of collectivization. This was so despite the fact that most managers were elected in the last years of the regime (Swain 1993: 3). The attempt to eliminate the Green Barons foundered, however, because the Smallholders overestimated the villagers' commitment to an old-fashioned view of agriculture, and did not appreciate the skills the Green Barons commanded to run large-scale enterprises. The entire strategy backfired, easing rather than preventing socialist managers' appropriation of property and assets.

Hungary implemented a voucher system for restituting land claims. Families

were not given their land back directly, but in the form of vouchers for the value of land once owned. Each cooperative farm was required to set aside land for restitution claims, and portions of former state farms were also appropriated for distribution. Distribution was then decided at auctions, where anyone in possession of vouchers could participate. The hesitation many expressed in dismantling cooperatives also made itself felt in people's ambivalence toward the auctions themselves, not to mention the confusion surrounding the bidding process (Swain 1994). It was easy for a minority of participants to manipulate the auction for their own purposes. Those who held back in the first round of auctions, either because they didn't understand what was going on or because they disagreed with the principles of the policy, soon realized their mistake. As one villager explained to me, those who missed this first opportunity were obliged to spend a lot of time coaxing fellow villagers to help them consolidate small strips into a plot large enough to form a viable farm.

The second phase of land redistribution was initiated with the process of 'naming': that is, allocating cooperative land and assets to the membership. Cooperative farm members and their heirs, as well as former employees, were able to apply for lands in the cooperative. (It is important to underscore the fact that corporations or other legal entities could not legally buy land in the initial auctions and subsequent sales.) The continued existence of cooperative farms has depended upon former cooperative farm members renting their land to the cooperative farm, thus transforming what had been the fiction of cooperative farm members' ownership of land into a reality. Cooperative farm managers in the mid-1990s were wont to complain that the anti-cooperative farm slant of the 1992 legislation put them at a disadvantage, preventing them from acquiring lands on behalf of the cooperative. Potentially viable units of production have been undermined in some cases by their lack of adequate lands; this is particularly true for dairies, which require extensive pasturage. Although one can sympathize with the managers' concerns about sustaining a viable farm, it is clear that if current cooperative farms had been able to acquire lands, it would have further enhanced the financial advantages farm managers wielded over the membership. As it is, they are forced, for the first time, to consider the interests of their membership in developing the farm.

In addition to these legal means of acquiring land, a third, very common option was the so-called 'pocket contract' (*zsebszerződés*). This informal but binding contract enabled people who had obtained land which they could not use to obtain cash instead. Elderly villagers, unemployed workers and other vulnerable parties were easy targets for potential buyers, who paid substantially less than would have been the case if owners had waited until the legal restriction on land purchase was lifted and a more open market in land came into being. For this reason, statistics present a very misleading picture: a large percentage of land has already devolved from the registered owners to other parties, either in the local community or elsewhere.

Post-collective farms

Farms range from plots of several hectares worked by family members and equipped with little more than a horse-drawn plough to fully mechanized farms of up to 1,000 hectares worked by a couple of hired hands. Many are the successors of previous units of the cooperative, such as the dairy or the pig farm, or simply the rump left over after the initial redistribution. These smaller cooperatives still employ many of their former members, often because of their need to maintain access to lands. Some cooperatives and state farms have evolved into service units which specialize in maintaining machinery and renting it out to the new private farmers. In other cases, similar businesses are expansions of a successful second economy business that started out with a single tractor. The process by which some farms transmogrified into capitalist agro-business while others fragmented or became bankrupt was replete with contention and struggle (Andor 1996; Kovács 1996; Swain 1995). Decollectivization was an enormous scramble for collective assets, but the emerging pattern of farming is remarkably consistent. Most people are not interested in farming the land they own and rent it to whomever they can. One to ten families per village have farms which cover more than subsistence, and three to four families at most per village are embarking on large-scale commercial farming. If the cooperative no longer exists, successor companies have been established which farm roughly the same acreage of land and look after roughly the same quantity of livestock, but with far fewer staff (Swain 1995: 76).

What were the factors which allowed former socialist farm managers to stay in positions of authority and privilege? How did they circumvent the Smallholders' legislative tactics meant to dispossess them? To determine just how decollectivization was proceeding, Mihály Andor and Tibor Kuczsi mounted a study, conducting a series of case studies and compiling statistical information to augment the picture they gathered locally.¹² Andor's work in particular offers valuable insights into the various strategies former socialist managers followed to maintain their farm, or to preserve some semblance of a large-scale farm following decollectivization.¹³

The strategies former socialist managers have followed to improve the viability of their farms and related businesses do not differ substantially from the strategies of new businesses in other sectors: reducing staff and restructuring the dimensions of the enterprise to enhance efficiency. The devolution of cooperative farms into smaller units with a specialized profile follows the pattern of large industrial conglomerates in the early years of privatization. In industry, new managers pruned former factories, forging smaller, more efficient businesses out of the constituent parts of the enterprise. While the construction of specialized functional units such as a dairy farm makes business sense, it is often also motivated by the desire among aspiring managers to escape debt burdens accumulated in the socialist period. Selling off viable units of mammoth factories, leaving the inefficient and indebted remainder in the hands of the state, has

been a common tactic in the process of the privatization of industry. In cooperative farms, at least, the success of this maneuver depends on the foresight of a manager able to sneak out from under the debt looming over the farm, and leaving his former, less insightful colleagues with a quickly deteriorating farm (see Kovács 1996). It often also depends on the manager's ability to convince a portion of the former cooperative membership to ally with him in his new business venture.

Initially the size of cooperative farm membership was reduced with the migration of former members into independent farming. After the initial drop in membership, however, cooperative farm management was left with the task of reducing the staff further, in order to rid itself of workers long deemed unqualified or unreliable. This has not been as easy as it would be in other businesses, such as state farms or non-agrarian companies where management could simply fire as many workers as possible to reach a reasonable staff size. Cooperative farms rely entirely upon the goodwill of their membership to continue farming, since they must now rent the land they once farmed with legal impunity. While not all the land post-collective farms rent belongs to their employees, managers are aware of the dangers of alienating segments of the village community by harsh personnel policies, the results of which could easily be the withdrawal of lands from their control. It is thus extremely important for postsocialist cooperative farm managers to be able to convince segments of the local community to support their efforts. In this context it becomes clear why long-term ties developed in the socialist period between managerial elites and their manual workforce can be deployed in classically paternalist fashion to accrue to the manager's benefit.

The alienation of state properties by private businessmen has been a contentious process throughout Eastern Europe in the postsocialist period, raising all sorts of questions about the constitution of new elites and the rejuvenation of old patterns of privilege and power. This is as true in Hungary as anywhere else. I would argue, however, that the process of restructuring agrarian businesses – in the case of outright appropriation by private interests, or in milder cases in which cooperative farms are simply reconstituted – has some special features which distinguish it from the process of privatizing industry or service companies. Both the social location of farm businesses – that is, a close and observant village community – and the requirements for successful business – that is, access to land – have constrained management decision-making in the course of the transition to new business forms differently from other sectors of the economy. Since at the time of the research land could still not be bought and sold legally, the range of options open to managers was limited.

Former socialist managers have succeeded in maintaining their authority and position within the agrarian sector, either as fully private farm owners, as cooperative farm managers or as managers of successor businesses. The degree of their success, however, was not always in line with their ambitions, as their strategies for retaining control over property and assets could be stymied by

opponents within the community and beyond. Management success, or the ability of villagers to frustrate their plans, depended not only on features of the socialist farm prior to decollectivization but also upon features of the community to which it belonged.¹⁴ By features of the socialist cooperative farm I have in mind, first of all, the degree to which farm members were able to influence decision-making during the socialist period. After amalgamations in the 1970s, the daily management of cooperative farms often took place in farm centers far away from the village, making it difficult for villagers to keep a close eye on managerial activities. This concentrated greater power in the hands of management, a factor which managers could use to their advantage during decollectivization. A second factor was the development of forms of commodity production in the socialist second economy, e.g. vineyard cultivation. This gave farm members more autonomy, but also kept them at a distance from the farm's daily workings, so it tended to strengthen management's control over the cooperative's fate. Third, a record of management success in the 1980s increased the probability that farm members would go along with managers' strategies for reorganizing the farm in the 1990s. If managers encountered resistance, they could use the loyalty of some members to put pressure on those who wished to break with the farm. Membership composition was a fourth significant factor. Managers were more likely to achieve their aims if their membership was, on average, older, poorer, less educated and had a higher proportion of women. Such members were less apt to take an interest in decision-making generally and more apt to defer to the authority of managers. Finally, there is the 'missing generations' factor. In more industrialized regions, one or two generations have abandoned agricultural production entirely, leaving no one to make claims on agricultural properties. In this context, managers could often acquire commercial assets with little resistance. A history of commuting to employment in nearby or distant towns made it harder for villagers to exercise significant control over local institutions.

The extent to which management could benefit from decollectivization was also determined by current circumstances in the community. If a former socialist manager lived outside the community in which the cooperative farm was located, it was easier for him to engage in shady dealings than if he were subject to the censure and moral pressure of his neighbors. Second, management's hand was strengthened if the community was located in a region of limited employment possibilities. Third, the proximity of markets for farm goods influenced decisions to leave the cooperative to farm privately. The final factor we need to consider is the extended history of the community. Management may have faced an easier task if the community traditionally lacked strong representative institutions (Andor 1996). It is interesting that both sociologists and villagers themselves tend to explain the passivity of former cooperative farm members in terms of pre-war labor relations. Communities inhabited by former sharecroppers, manorial estate employees and day laborers are seen to be apathetic and

lacking entrepreneurial spirit, while communities of self-sufficient peasants are understood to be more active politically and commercially.

I remain skeptical of these claims for the simple reason that they ignore the intervening forty years of socialism, in which workers were regularly prevented from having a say in politics in general, or in the policies of their workplace in particular. Second economy activities were perhaps more widespread and ingenious in some types of community than in others, correlated with pre-war patterns of property ownership. Nonetheless, the second economy remained dependent upon cooperatives and state farms for cheap sources of grain and livestock, advice from agronomists and marketing assistance. Rather than consider these activities to have been incipient capitalist businesses, it would be more accurate to describe them as adjuncts to production in the socialist sector. Thus it is unnecessary to reach back to the pre-war period to explain the lack of an entrepreneurial attitude. As is true in any capitalist economy, there are those who simply are unwilling, or in some cases unable, to become a manager. Among these one finds those who were themselves restricted to certain kinds of employment which their ambition would shun but their abilities dictate. Then there are those who chose the nine-to-five job, preferring a low-key lifestyle to one fraught with the anxiety and stress of management. Nonetheless, there were former cooperative farm members and state farm workers who would have enjoyed the prospects of running a large farm, and would even have been good at it. But as various local studies of decollectivization demonstrate, a number of factors determined whether one succeeded in acquiring the sorts of assets necessary to run a large farm, not least the ability to defeat others in their bid for land, machinery and managerial control.

My skepticism about the role of personal or family history in explaining the success of certain villagers over others is fed by a concern about emerging ideologies of success and failure in the current transition. Managers represent their success in appropriating farms, and their various assets, in light of what they see to have been the inability of former workers to mount a significant resistance. They would talk about former cooperative farm workers as having a 'socialist worker attitude'. This intransigence was juxtaposed to their own abilities to adapt to the situation, to learn new tricks and discard the old. Such self-flattery is an example of euphemization (Bourdieu 1985), masking the very complex, and sometimes quite shady dealings the present managers engaged in to assure their own success. The *social* process of acquisition and the *social* character of the managers' advantages (social capital, pragmatic experience) are ignored, while the personal characteristics of the manager are heightened.

Managers spout self-aggrandizing accounts; villagers counter with charges of corruption and theft. Feelings of powerlessness and despair among the less fortunate find their expression in the near universal assumption that management is well situated and inclined to steal and cheat. This perception is not new; during the socialist period, one also heard these claims. Rancor has increased, however, since the stakes are much higher than before. In the early 1990s, villagers were

sanguine about the political and economic transition, not expecting much change from the new government or new economy. Comments during successive elections have affirmed this view. Villagers gave voice to this notion when explaining why voting for the incumbent party was preferable to electing a new set of leaders. After all, incumbents had already lined their pockets and wouldn't need to raid the coffers, as a new government coalition would. Numerous scandals surrounding the activities of governing coalitions have simply reinforced villagers' views. In a village I know well, villagers' distrust has even turned on a once well-respected cooperative farm manager, whose attempts to acquire land within the village have prompted frequent comment. While he could easily have been elected mayor in 1990, and only refused the post because he thought the work did not warrant a full-time salary, he is now regularly maligned by his former supporters, who consider him to have fallen lower than his notorious boss in the socialist period. This radical shift in attitude has been the most surprising turn of events for me in the transition, one I would never have anticipated. My surprise reveals the extent to which I underestimated how angry villagers have become at their continued impoverishment and disenfranchisement. Thus, the individuation of success promoted by managers finds its corollary in villagers' vilification of accomplishment. Euphemization in this context also overlooks social process, although here the practices of managing are ignored in favor of essentialist claims of greed and depravity.

I now wish to examine the crucial attributes former cooperative and state farm managers possessed at the moment of decollectivization. I argue that the combination of social ties, expert knowledge and extensive experience gave agrarian elites a disproportionate advantage in the transition (cf. Kuczi 1996). Successful entrepreneurship depends in the first instance on a variety of social relations, often including relations with kin. For example, the financial resources of one's family could be vital in a context in which bank loans in agriculture were difficult to obtain, due to uncertain property rights. Defining one's business obligations within the boundaries of family can also be a useful way of deflecting demands made by friends and former colleagues as one's business grows, although the flip side – strong pressures from family members for a share of the wealth – are also well known.

It is equally important to consider long-standing paternalist relations between managers and the cooperative farm workforce. During the socialist period, cooperative farms played an important role as channels of social goods and services, e.g. organizing holidays for the children, subsidizing local day-care facilities, providing cheap means of transport for the second economy or helping a family in need with funeral costs. The habit of seeking out the cooperative farm president in times of need has persisted in the postsocialist era and it is, of course, a two-way street: managers can call in their debts and exercise diffuse moral suasion. If villagers find the activities of new entrepreneurs suspicious – because they are aware of the chicanery involved or are wary of

commerce in general – then downward leveling norms may constitute a barrier to growth (Portes 1998: 15).¹⁵ Ethnic hostilities and lingering political hostilities can also impair business success. A manager complained to me about former cooperative farm members refusing to rent their land to the now much smaller cooperative, simply because they resented having been forced to transfer their lands to the cooperative in the early 1960s.

The most valuable form of social capital former cooperative farm managers possess for building a business is an extensive network of county-wide and national contacts in the agrarian economy. These contacts range from simple friendships to complex bureaucratic and commercial connections. Fellow agronomists and agrarian managers at cooperatives and their successor businesses rely on each other for information and assistance. Agrarian managers formed long-lasting relationships while still in school, or when attending refresher courses or other classes designed to advance their training. The frequency of county-level and other regional meetings and conferences created a large and valuable network of advisors and friends. Some of the meetings in which relations were forged were political in nature, such as county party organizational forums, but that would not detract from one's ability to use these contacts to further one's business ambitions. Finally, many of the valuable ties former cooperative managers held were with communities in the commercial sector, such as personnel at local processing factories or agents for seed companies or fertilizer companies.

The central feature of these relationships is trust. In all of these various transactions, the players can rely upon each other to deliver goods in time, to offer a decent price, to provide valuable information, to make the right decision on one's behalf. The dependability of these relationships diffuses the uncertainty of the new market economy, and gives entrepreneurs an edge on their competition. Used in the right ways, such relationships can enhance the viability of one's enterprise. Used poorly, they can undermine one's profitability and signal future losses. This was illustrated to me in the case of one cooperative president, who consistently refused to sell his produce to strangers, even when they offered him a higher price than his regular customers. He found the transaction with strangers uncertain. 'He's not a sure buyer (*Nem biztos vevő*),' he has claimed. Villagers attributed this reluctance to engage in transactions to his fear of losing control and the bribes with which he had lined his own pocket. His intransigence had pushed the farm to the edge of bankruptcy, in contrast to a neighboring farm, where management had established a positive reputation by reorganizing the cooperative into an agricultural service station.

A crucial strategy deployed by former socialist managers in their transformation into capitalist businessmen has been the use of their extensive contacts in the agrarian sector, as noted above. The advantages that former cooperative managers had in terms of social networks cannot be underestimated. It should be noted, however, that the means of negotiating a good contract, of getting a fair price for one's goods, cannot be attributed to personal contacts alone. Simple economic laws play an enormous role in these transactions, an issue

which may be overlooked in the hurry to emphasize the significance of social relations. Economies of scale strongly influence one's position in contractual negotiations. One of the greatest problems the push to small family farms created was the loss of economies of scale. It was simply wrongheaded to think that small farmers would flourish in a new economy which no longer has any form of marketing cooperatives to guard them from exploitation by middlemen and commercial agents. (Such marketing cooperatives existed in the pre-1948 period, and lived on in altered form in the socialist period, playing an important role in buying up produce from the second economy.) It is clear that many cooperative farms will take on the role of clearing agents for the produce of local farmers; their interests and that of the community are to enhance their bargaining power with commercial agents.

Possessing good social and economic contacts is insufficient if one has not learned to run a business effectively. The knowledge and experience of running a large-scale farm has also helped to facilitate the success of the former socialist elite in agriculture. From the mid-1960s, cooperative farm managers enjoyed fewer supports from the state than their colleagues in industry or at state farms. Forced to scramble for scarce resources, such as sources of credit to see them through the growing season, cooperative managers had to learn to cajole county officials, bending the rules and cooking the books when necessary. While this did not always lead to the most efficient use of resources (Lampland 1995: 247–72), it did teach managers that having privileged access to information, well-cultivated contacts and good leverage can make all the difference in one's career. These sorts of elaborate machinations were not specific to agriculture. As the work of János Kornai has shown (1959, 1992), the planned economy depended on regular negotiations – finagling, manipulating, reworking plans – to achieve an overall plan which suited actors at different levels of the party, state and enterprise hierarchies. The absence of monopolies in agriculture enhanced the significance of these everyday negotiations. More than 3,000 cooperative farms across the country regularly competed with each other in a difficult economic environment for attention and resources. Managers were able to build on this experience in the new economic environment of the 1990s. Knowing how to write up a budget, how to plan investments, where and how to cut corners if necessary: these traits have long been the stock-in-trade of the socialist farm manager.

Managers of socialist enterprises learned to take risks. It is true that state and party agencies constrained decision-making and prevented a lively market from developing in many sectors. Yet the fragility of state supports and the chaos of planning schedules accustomed them to coping in an environment of high uncertainty. Playing against the legal edifice has honed the skills of former cooperative managers in knowing how and under what conditions to move forward, to hesitate, to diversify, to scramble.¹⁶ This is precisely the quality non-managers lack. Admittedly, not all former socialist managers will be as skilled in weathering the difficult waters of the new market economy (just as

not all were equally adept in the socialist economy). The cooperative farm president who only sells to friends will soon find this a dead-end strategy. But many others will learn, and already have learned, to build upon their extensive managing skills to extend and strengthen their businesses.

Conclusion

The ability of former socialist managers to slide into positions of authority (or outright ownership) in successor businesses is well documented. Just how successful these managers will continue to be is an open question. I have argued that former cooperative farm managers wielded significant advantages over other villagers adjusting to the new economic environment in the first half of the 1990s. I would hasten to add, however, that those advantages are not necessarily long-lasting. Changes in the law on property ownership may influence investment policies of agrarian businesses. Changes in the ruling coalition of the government have had a number of consequences, unforeseen in 1997, on the agrarian business environment. And certainly, accommodations to EU policies – particularly if the view of these policies as discriminatory to Hungarian businessmen is accurate – will have significant consequences for the viability of agrarian enterprises. Finally, the shift in the overall economic environment is bound to influence the way managers run their businesses. If managers do not continue to keep informed of possible innovations in techniques and new varieties of seeds and animal stock, do not continue to reach out to and expand valuable contacts in the business sector, research community and government bureaus, then they are bound to suffer. In short, while social and cultural capital are important resources, they must be sustained and enhanced over time. Otherwise, their strength and value lessen. This is a lesson former cooperative managers will have learned by now.

I would hope that there is a lesson here for theorists of the postsocialist transition. Economists and economic sociologists have dominated the study of the transforming economy in Eastern Europe. They are wedded to a series of concepts – such as the formal and informal or private and public – which establish artificial boundaries between domains of social life long intertwined in important and complex ways. As a consequence of disciplinary divisions they are less interested in cultural issues, but this blinds them to significant elements of the economic world which should be examined: beliefs, perceptions, motivations and moral principles. Anthropologists, on the other hand, bring important tools to the study of the transition. They see economics to be as deeply cultural as any other human activity. Their discomfort with reductionist assumptions about utility or simplistic notions of rational individualism allows them to question anachronistic formulations and culturally bounded conceptions. The culturally bounded categories of postsocialist European economies just so happen to include those social scientists deploy analytically: formal and informal sectors, social and financial capital, states and markets. The strength

that anthropologists bring to the study of transitions lies precisely in their willingness to play local cultural categories against their analytic stepchildren, i.e. to use local categories (and their conceptual relatives) as grist for analysis. In so doing, they study how social domains are thought, how they are lived and, perhaps most crucially, how and why these two may diverge. The task of interrogating theoretical categories is a hallmark of any rigorous social analysis, but it should be even more central in the study of communities actively seeking to transform central organizing features. Studying the grand capitalist ascension on the heels of the socialist experiment in Eastern Europe offers social scientists of all stripes an opportunity to appraise the value of their analytic repertoire. The unique approach anthropologists bring to this exercise can contribute productively to our combined efforts.

Notes

- 1 The work leading to this article was supported in part from funds provided by the National Council for Eurasian and East European Research, for which I am grateful. The Council, however, is not responsible for the content or findings of this report. I also wish to thank the International Research and Exchanges Board and the American Council of Learned Societies for their support of my research. I am indebted to Chris Hann, Joanna Goven, Ákos Róna-Tas and Carlos Waisman for extensive discussions over the issues in this paper. My title invokes a famous article by István Rév (1987). While he focused on the significance of peasant resistance to the state's project of collectivization, here the point is to demonstrate the advantage that cooperative farm management has enjoyed in the post-collectivized farming sector. Despite my ironic use of Rév's title, I do believe our studies complement each other in important ways.
- 2 The research for this component of the project was conducted in 1996 and 1997. The data include: interviews with farm managers and with specialists in service industries associated with agriculture, statistical materials on land ownership and the social profile of the farming population since decollectivization, studies of decollectivization in various communities, and historical analyses of cooperative farming in the country as a whole.
- 3 The other component of this project concerns the transition to Stalinism in 1948–56, focusing specifically on the role of agrarian economists trained in the interwar period in crafting new cooperative wage forms (work units or *munkaegység*) during the early 1950s. While it has long been assumed that these forms were adopted from the Soviet Union, I demonstrate that the complex calculations of value and organizational structures necessary for work units were entirely developed in the field of Hungarian agrarian work science of the interwar period, whose primary influence was German business science.
- 4 Granovetter's work on embeddedness bears similarities to these views, as it attempts to highlight the role of informal relations within formal hierarchies such as organizations and institutions such as the market (1985, 1993).
- 5 Coleman does consider the role of norms as social capital, moving his analysis beyond crass economism. Yet this move simply remedies the theoretical weaknesses of rational choice theory, not substantially altering Coleman's conception of the social actor.
- 6 A central concern in the debate over the rapidity of economic reforms centers on the role of citizens in crafting public policy. Åslund clearly thinks a radical change

may not be democratic, but would be expeditious. He believes, as does Brada, that in the long run citizens will benefit (see also Shearmur 1993). Przeworski, among others, is concerned that setting policies in an undemocratic fashion undermines the sovereignty of these countries and endangers the integrity of a renewed politics of democratic inclusion.

- 7 I would hazard to guess that learning to make the best of – or even slide out from under – onerous state regulations, is a common phenomenon in capitalist economies as well. While reading materials on the transition from socialism, I am often reminded of Burawoy and Lukács's caution to avoid comparing actual socialist practices with idealized capitalist models (1985).
- 8 While I appreciate the discomfort former socialist citizens may have with the analytic baggage associated with the study of class relations, I do not comprehend the silence about class in what would presumably be its natural home: studies of emerging capitalist relations of property and production. For two prominent exceptions to this trend, see Clarke 1994, 1998; Ost 1997, 1999, 2000.
- 9 An important component of the shift in the Hungarian socialist economy to a technocratic elite during the 1970s was dependent upon an ideology of training and expertise (Szelényi 1982). The abuse of a technocratic model of managerial authority, however, seriously contributed to the disenfranchisement and disillusionment of workers under socialism (see Lampland 1995: 223–31).
- 10 Managing socialist farms was a highly masculine profession (Lampland 1995: 185). While women often worked in socialist farm offices, as lawyers, accountants or secretaries, they were far less represented among the technocratic and managerial elite, i.e. as agronomists, machine-shop managers or farm presidents. This disproportionate representation of men among the agrarian elite continues into the post-collective period.
- 11 In a poll conducted in 1993, 'over ninety per cent of coop members said that they would not opt for a breakup of the cooperatives into small-sized individualized holdings' (Agócs and Agócs 1994: 33).
- 12 This study was part of a larger study of decollectivization in Hungary, the Czech Republic and Poland, led by Nigel Swain at the Centre for Central and Eastern European Studies of the University of Liverpool (cf. Swain 2000).
- 13 I am indebted to Mihály Andor for providing me with an unpublished version of the results of his study (1996).
- 14 My analysis here follows the nine factors identified by Andor (1996: 5–8).
- 15 For Portes this is one of four negative consequences of social capital. The others are exclusion of outsiders, excess claims on group members, and restrictions on individual freedoms.
- 16 The success of former Communist Party leaders in electoral and parliamentary politics since 1989/91 has surprised many observers east and west, who had come to view Communist Party activists as ignorant hacks. This neglects the long history of party politics in the socialist period. We can surmise that party politics, albeit invisible to the general public, was no less dependent on skilled politicking, machiavellian strategizing and judicious compromises than any other political process. Indeed, one might suspect that the absence of a multi-party system and lack of transparency may have intensified the stakes of interparty politics.

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Chapter 3

Economic crisis and ritual decline in Eastern Europe

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After more than a decade of expanding research, the anthropology of postsocialist Eastern Europe exhibits a curious lacuna: ritual analysis. The absence is not absolute (e.g. Verdery 1999), but compared to most other topics ritual has been neglected. This is especially peculiar given earlier attention to socialist ritual (Binns 1979, 1980; Humphrey 1983; Kideckel 1983; Kligman 1981; Lane 1981; Mach 1992; Roth 1990), continuing attention to ritual in parts of Europe not undergoing 'transition' (Badone 1990; Boissevain 1992; Dubisch 1995; Gilmore 1998) and the attention paid to ritual in other 'postsocialist' contexts, notably China (Yang 2000; Feuchtwang this volume). The silence on a topic foundational to the discipline tends to separate current East European research both from mainstream anthropology and from indigenous ethnography, in which ritual continues to figure prominently.

There is an obvious explanation: anthropologists' lack of interest in contemporary East European ritual reflects the changed position of ritual in postsocialist conditions and its relative insignificance in the lives of East Europeans trying to survive under difficult existential conditions. This was brought home to me in February 1997 when I canvassed villages in Bulgaria's Rose Valley with a colleague to determine if and when certain carnival-like rituals associated with the beginning of Lent, known generically as *kukeri*, would be performed. In the village of Turlichene, I did not even have to ask because a large invitation to the festivities beckoned from one of the few remaining windows of the abandoned village grocery store. Stores such as this one throughout the country had met a similar fate in the 1990s as their administering cooperatives folded and impoverished villagers stopped buying goods. Still, this battered shell was more dismal and depressing than most. The fact that the town hall, the administrative heart of the village, operated from the second floor of the same building made the impact even worse, and there was no redeeming evidence of other commercial activity at the village square. In the face of such economic prostration I felt buoyed by the villagers' apparent commitment to the ritual and made a note to return on the appointed day. As we prepared to move on to the next village, I overheard one of the villagers