

## 9. The collective farms after Socialism (1996)

Caroline Humphrey, *Marx Went Away – but Karl Stayed Behind* (1998), pp. 444–446.

With the demise of the Soviet regime in the early 1990s the old structure of automatic credits, planned inputs, and designated purchasers disappeared. The collectives are now self-financing economic units. Their dilemma is that they have to operate exposed to the harsh vagaries of price, without, however, having the benefits of a market. Farms are faced with low prices and low demand for their products from the poverty-stricken population but also with high taxes and high prices for their inputs, such as petrol, fertilisers, machinery, and spare parts. There is a general absence of marketing organisations. Farms themselves have to bear the costs of transporting, storing, and selling their produce. Small traders in the countryside have mostly failed, as the costs of transport from distant farms cannot be covered by the sale of goods. Not to put too fine a point on it, what this means is that virtually all collective farms operate in a state of bankruptcy. This chapter is about economic life under such conditions.

In a more anthropological idiom we can imagine the change as a radical reduction in vertical flows – of products flowing “upward” to the state and subsidies and inputs going “downward” to the farms. As a local reporter put it: “This is the time of horizontal links and deals. You to me, me to you, we to him, and him to US.”<sup>1</sup> As the essence of the Soviet system was to strictly regulate such lateral flows (Verdery 1996), collectives and individuals have little publicly legitimate experience to help them along, so activities previously seen as illegal or informal have come to the fore. Inside the collectives the members now receive no money coming “down” to them in wages. Here at the fundamentals there has been no alternative to the turn to a domestic economy, which has however developed a multifarious character. It is at the same time an intensification of subsistence for the household, the invention or honing of skills in order to engage in exchange, and the expansion of “lateral” foraging over the whole area of reachable resources.

In Soviet times, as was shown in earlier chapters, the main players of the political economy as officially conceived – the state, the collectives, and the households – were always interwoven with other nonofficial relationships, of patronage, kinship, black markets, rural-urban reciprocities, and so forth. This whole sphere used to be kept in the background, partly because much of it was illegal, and partly because the main income of both collectives and households did regularly come from the official system of “vertical” redistribution. It is part of Russia’s tragedy that the new capitalism itself has had to be created from within such an ambiguous space, publicly immoral and yet at the same time “domestic” and subject to domestic

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<sup>1</sup> Mikhail Zhvanetskii ‘Kak vyzhit?’ *Vechernii Ulan-Ude*, 17 Sept. 1997, p. 16.

morality. In present circumstances, when ruthless profiteering, monopolies, and rackets thrive in provincial Russian cities, it is interesting that cultural differences seem to be emerging. In Russian cities, according to one sociologist, kin and close friends are now often kept out of business, because it is assumed that economic activity is pitilessly self-interested and also highly risky, so one may well “take one’s partners down with one.”<sup>2</sup> By contrast, in rural Buryatiya (and it appears among many Asian parts of Russia) kinship and other personal ties are extensively used in economic relations to evoke the qualities of trust, honesty, and reliability. This may mean that the quality of the business that goes on within such networks is different (a topic which requires further research); at the same time, it produces social hiatuses, because outside the personal network mistrust reigns supreme. If there are “kin” (*rodnya*), there are also “nonkin”; if there are “fellow countrymen” (*zemlyaki*), there are also “aliens,” and of the latter categories nothing much is expected, and no quarter is given. Thus, a space is created for avid foraging, cheating, and appropriation. All this requires us to look carefully at this evanescent and eventful terrain of reciprocity/dis-reciprocity so as to understand its range, its gulfs, and its limits.

Yet it will be argued that these “horizontal” relations, necessary as they are to survival, cannot tell the whole story. They are not sufficient, for at every level the new political economy is producing overarching, hierarchical rights. This is not just the remnant of the Soviet welfare state, which has shrunk, though its bare bones remain. It is a new structure of vertical money flows and hierarchically overlapping control of land. Moreover, the culture of Buryats, and perhaps of Russians too, provides expectations that things will be this way, that even as a single person one is part of a larger, higher, governing, social whole. This expectation is so strong that it affects the way in which people conduct even the subsistence economy. Far from seeking “freedom” on tiny, separate holdings, there is resistance to the idea and practise of autonomy.

Inevitably, the collectives, as they are changing, are influenced by these interests. I shall argue that economic circumstances, politics, and cultural concerns are interacting in volatile ways, creating different types of collective and producing two branching paths along which rural societies look as though they may diverge: shareholders’ collectives and collectives based on contracts with smallholders. This is always supposing the potential conflict between the two does not just result in muddle and stagnation. The present chapter tries to give an account of the current situation over a wide range of topics, however, and does not limit itself to presenting an argument. It first lays out the types of collective now present in the agricultural scene, discussing their dilemmas in coping with the unsustainable inheritance of Soviet times and the current recession. The chapter then takes the perspective of people’s domestic economic tactics and problematises the notion of “household subsistence.” Returning again to the collectives, the next section deals with strategies of farm directors in the regional economy. This introduces the subject of the political dynamics of the reforms. The idea of “shares” of land and other means of production

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<sup>2</sup> I am indebted to Alena Ledenova for this observation.

is central to the reformist goal of creating private property, and it has been used throughout Russia and elsewhere in Eastern Europe. In Buryatiya, however, it looks unlikely that individual private property in land will develop, since shares in practise are not freely negotiable and not disposable to outsiders. Rather, they are combined into “insiders’ collectives” (in the helpful phrase suggested by Konstantinov 1997), and dividends are distributed (on the same basis as the shares themselves) according to sociopolitical status. This contrasts with the contract system, which designates a functional, economic role for each household.