

## Work, Organizations, and Markets

*Russia's Economy of Favours: Blat, Networking and Informal Exchange*, by **Alena V. Ledeneva**. Cambridge: Cambridge University Press, 1998. 235 pp. \$59.95 cloth. ISBN: 0-521-621747. \$21.95 paper. ISBN: 0-521-62743-5.

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"Don't covet a hundred rubles, have instead a hundred friends," advises an old Russian proverb—advice the Russians appear to have taken to heart, most notably during the Soviet era, which produced an environment particularly rich in personal networks and emotional bonds. This phenomenon is sometimes seen as a national character trait that distinguishes the warm-hearted Russians from the more calculating, instrumental Westerners. Or so Russians like to think. Alena Ledeneva, a native Russian who is currently a research fellow at the University of Cambridge, does not set out to debunk this popular notion. But anyone who wades through this fine monograph might want to ponder the question: Is there something in the Russian psyche that nurtures close emotional ties, or is it the Russian political economy that engenders the pattern of carefully nurtured mutual aid?

*Russia's Economy of Favours* is an ethnographic study that takes a long view at the phenomenon known in the Soviet Union as *blat*, the hard-to-translate word referring to "an exchange of 'favours of access' in conditions of shortages and a state system of privileges" (p. 37). The reality behind the term bears similarity

to such universally recognized phenomena as corruption, bribery, and patronage, but as the author convincingly argues, it remains distinct from its better known cousins.

Thus corruption stems from the abuse of public office, it benefits the office holder, and it is clearly illegal. By contrast, *blat* is a favor one renders to someone else without any immediate personal profit or direct violation of law. Bribery is an economic transaction that entails an agreed-upon exchange of money for specified services rendered by someone in the position of public trust. *Blat*, on the other hand, precludes an explicit exchange; an attempt to pay cash for the services rendered would be considered an insult by the person dispensing the favor. While patronage is built around the client-patron relationship that implies a status inequality and reinforces the power asymmetry between the parties involved, *blat* is typically a transaction between equals, and even when status inequality is involved, the etiquette requires playing down the power differential. What makes the *blat*-induced exchange of favors different is the personal bonds of friendship it relies upon and continuously nourishes.

The noun *blat* goes back to the nineteenth-century adjective *blatnoi*, meaning someone or something related to criminal activity, though the word does not carry a clear moral opprobrium in the Russian language, perhaps reflecting the widespread ambivalence toward those defying the law and the state. The term did not acquire its present meaning until the early 1930s, when Stalin moved away from the early Bolshevik ethics of economic egalitarianism and instituted a system of rationing that favored the politically well-connected. With consumer goods in short supply and material rewards doled out to the faithful, anyone's well-being depended in large measure on fellow citizens who could help obtain a desired commodity, amenity, or service. Helping a friend, a friend of a friend, or sometimes just a stranger facing bureaucratic hurdles would become an acceptable, if not honorable, chore undertaken in the name of friendship and common decency.

After Stalin's death, the institution expanded into an alternative procurement system used by the common folk to secure sought-after consumer goods normally available to the privileged. It was no longer primarily reserved for emergency situations, where friends would be pressed into service to ease the plight of political

prisoners or help their family members obtain a working permit; *blat* connections were routinely activated to procure better housing, a rare furniture set, a telephone line, or scarce medicine. The objective was to find some informal ways around formal procedures by calling on friends with ties to the agencies and outlets controlling desired goods. Individuals particularly gifted with the ability to broker deals—*blatmeisters*—grew famous spreading around good fortune to those lucky enough to know them or their friends personally.

Some 56 in-depth interviews that Ledeneva conducted in Russia between 1994 and 1995 illuminate the rules by which the *blat* game has been played. You can ask for a favor from someone you know personally, or from a third party if you found an intermediary who could vouch for you. The request must be reasonable; it cannot strain the *blatmeister's* network resources overmuch. The donors should refrain from taking credit for the service rendered or asking for a quid pro quo, though the receiver may discreetly offer a token gift at an appropriate point (e.g., a box of candies for the donor's birthday). Those on the receiving side are expected to offer reciprocal favors when called upon by their friends. Individuals regularly trading favors form tight networks whose members keep up with each other socially, drink together, and bond emotionally. The failure to play the game, to offer help to friends in need, results in sanctions, ranging from mild reproof to complete ostracism.

While the *blat* game revolves around exchange and furnishes economic advantages to the participants, it is heavily couched in the rhetoric of friendship and mutual help that, Ledeneva argues, presupposes a systematic "misrecognition"—the term she borrows from Bourdieu to describe the readiness to gloss over the moral ambiguities inherent in *blat* transactions. Arranging an urgent surgery for your friend usually means that somebody else would have to wait longer for the same procedure. A hard-to-find theater ticket acquired through *blat* connections is likely to breed envy in the less fortunate theatergoers. While the *blat* exchange stimulates investment in friendship, it also encourages hoarding, whittles away at public property, and disenfranchises individuals poor in network capital. To be sure, the economy of scarcity and privilege is largely to blame for these moral ambiguities; yet the rhetoric of

friendship, mutual help, and everyday resistance to the authorities could not conceal the fact that one person's gain is always achieved in this system at the expense of another person excluded from the game. This is why many Russians actively engaged in favor trading are reluctant to admit that they have anything to do with *blat*.

Now that the socialist economy has been supplanted by the market, the institution of *blat* has begun to disintegrate, and along with it the fabled Russian friendship, which is gradually being replaced with the instrumental relationships that leave little room for schmoozing and kibitzing. The Russian proverb that opens this review has been updated to read, "Don't have a hundred friends, have instead a hundred dollars." The Russians who used to share everything now zealously guard information from would-be competitors, friends and foes alike. The old friendship networks are growing frail. Even drinking binges are going out of style, at least as a collective ritual so popular in the bygone era: "[We] used to celebrate everything collectively," laments a successful Russian businessman. "Now those feasts collapsed. Strangely, I have much more money now, and drink and foodstuff are available at any time, but those good days have gone" (p. 199).

*Russia's Economy of Favours* raises several theoretical issues that must be underscored. The book demonstrates an intricate relationship between the macro- and microscopic processes. It illuminates the socioeconomic underpinnings of emotional life. It shows how easily lofty rhetoric can obscure moral ambiguities inherent in the daily choices we face. And finally, it vividly shows the power of ethnographic methods to illuminate the human conditions.

Combining firsthand knowledge of the subject with the deft use of contemporary scholarship, Alena Ledeneva has produced an important study. I recommend it not only to the students of Russian society but to all social scientists interested in the ongoing interplay between agency and structure in human history.