Structure and Context in the Study of Post-Soviet Russia: Several Empirical Generalizations in Search of a Theory

Leon Aron

The Berlin Wall fell twelve and a half years ago, and ten and a half years have passed since, armed with a mandate from the Congress of People's Deputies of the Russian Soviet Federated Socialist Republic, Boris Yeltsin and Egor Gaidar launched the Russian economic revolution by abolishing state control over most prices. Although minuscule in historical terms, the time elapsed furnishes a wealth of data for a provisional analysis of the key factors that shaped the political, economic, and social makeup of postcommunist nations. By codifying these factors and suggesting the modalities of their interaction, one arrives at tentative empirical generalizations. Defined as "isolated propositions summarizing observed uniformities of relationships between two or more variables," these modest constructs, in turn, may serve as foundations for theories.

Much is to be gained, in such a design, by the deployment of concepts and tools of political sociology, the focus of which, by a classic definition, is "power in its social context" and "social movements, organizations and institutions" that are "directly involved in the determination" of power. Such an approach diverges sharply from (indeed, clashes with) the often dominant perspective in which postcommunist politics and policies are portrayed as if emerging from an existentialist hell par excellence in which there is no structure, causality, continuity, or even regularity, and politics is severed from polities—an infinitely malleable and daily refashioned social clay.

In the Russian case, the epitome of this paradigm is neo-Kremlinology, which reduces the vastness and complexity of interacting causes to plots of palace intrigues, and magnificent epics with casts of millions to third-rate melodramas. Policies are traced solely to a handful of infinitely powerful (and just as infinitely malfeasant) political actors. Public opinion matters little, if at all, and in any

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DEMOKRATIZATSIYA

case it is easily manipulated by the "elite." Opposition is impotent at all times and on all issues, and it is thus excluded from explanations of policy outcomes. The parties and the movements are ephemeral, and their embodiment, the parliament, is negligible as a political actor. The media's role is equally puny, except when used in the internecine struggle between competing "oligarchical" or Kremlin factions or in national electoral campaigns. In the latter case, the media are suddenly all-powerful in their ability to dictate choices to the allegedly naïve, infinitely gullible, voters. Intra-elite competition on all issues invariably is resolved in favor of the incumbent. In short, there is no policy, only politics; no agenda but seizing and holding power; and no ideology but greed and power lust.

Contrary to such a perception, much in the emergent political and economic arrangements of postcommunism appears to have been shaped, and continues to be shaped, by interaction among structural factors common to all postcommunist societies. Here I will outline ten such factors ("the structure") and group them into causal clusters to explain outcomes common to both the East-Central European and Russian transitions. The remainder of the article is devoted to the ways in which the specificity of the Russian conditions ("the context") manifested itself.

Methodologically, the article is an attempt to break down a harmful division in the studies of postcommunist transitions in which cross-national surveys of individual phenomena (e.g., privatization, economic and cultural legacy, the velvet revolution, or corruption) have focused largely on Central-Eastern European nations and have only rarely included Russia, while the latter has been a subject of numerous studies of these same phenomena from which other post-communist countries have been excluded. An unintended consequence of this methodology is the often empirically unsupportable impression of a sui generis, unique Russian transition.3

The Structure

The Velvet Revolutions (VR). The 1989–91 revolutions across East-Central Europe and the former USSR were rightly acclaimed for their nonviolent, "velvet" character. In most revolutions the old elites have been killed, jailed, exiled, or at the least barred from public life. Apart from the so-called lustrations in Czechoslovakia (and later the Czech Republic), where former high-ranking Communist Party functionaries, collaborators with the secret police, and members of the People’s Militia have been barred from senior posts in civil service, post-communist countries have neither purged the former nomenklatura from the local or national governments nor placed any restrictions on their political and economic activities.

These were, a perceptive observer noted, "Anglo-Saxon" rather than "French" revolutions, far closer to 1688 and 1776 than to 1789.4 Undertaken, "above all," in pursuit of democracy, pluralistic civil society, and individual rights, they were "predominantly constitutional" and concerned "above all else with a political settlement that would guarantee liberal freedoms."5 As a result of such a settlement, one-third of the apparatchiks in positions of power in 1988 occupied the same offices in 1993 in Hungary, Poland, and Russia—the nations where the initial
anticommunist sentiment among the leaders of the transition was among the strongest. As late as January 2000 a critic charged that in the Czech Republic, which had begun as another fervently anticommmunist regime, "the current political system . . . [is] based on an unspoken condominium with significant relics of the former Communist establishment."7

In the long run, however, the velvet revolutions’ greatest impact was on the nature and pace of the economic reforms, some key aspects of which were molded by the industrial nomenklatura (the “red directors”) who had administered the economy for the socialist state and at the state’s demise found themselves in effective control (and often in de facto possession) of most of their countries’ economic assets. When the music of communism stopped, they kept the chairs.

*Simultaneity of Democracy and Early Capitalism (SDEC).* In the antitotalitarian revolts of 1989–91, the political (democratic) and economic (free market) revolutions coincided. For the first time in history, the foundations of the market economy and capitalism were being laid in a fledgling and preliberal but real, one-person-one-vote democracy—with multiple and critical consequences for both democracy and capitalism.

In Russia, the emergence of a market economy coincided with and was profoundly influenced by the results of seven national polls after the August 1991 revolution: two presidential, three parliamentary, and two referendums. The turnout was 70 percent and 69 percent in the two presidential contests and never dropped below 61 percent in the three national legislative elections.

*The Beached Whale (BW).* No longer sustained by the monolithic cohesion of the political elite and shielded by police terror, the state’s ownership of the national economy was challenged both by the enterprise managers and the outside entrepreneurs. Like a beached whale, the socialist state’s assets suddenly were vulnerable, and corrupt bureaucracies controlled access to the beach with licenses, quotas, credits, and rigged auctions.

*The Legacy (L)*
The legacy of communism permeates the social, political, and economic lives of postcommunist nations. I include only five factors here.

*Institutional and Normative Void (L-INV).* Unlike all previous democratic revolutions and free market transformations, little, if anything, in the political and economic systems of the ancien régime could serve as a foundation or even the seed of a new order, and a great deal was antithetical to liberal capitalism.

The patrimonial state, which had owned the economy and the livelihoods of the entire population, had destroyed the key elements of the infrastructure of modern capitalism—the sanctity of the contract, the impartial court, the transparency and accountability of commercial organizations, banks as a source of venture capital, and stock exchanges—and had done all to prevent their re-emergence. Most important, private property, the keystone of capitalism, was missing. As a leading
The economist suggested, postcommunist Russia was poor because of "the absence of any secure private property rights at all—a result of eighty years of communism." The void in which the postcommunist political and economic transformations unfolded was not just institutional but normative. Private economic activity had been stigmatized and criminalized for generations. The voluntary associations that promote and monitor the habits of self-governance, personal responsibility, self-restraint, peaceful reconciliation of interests, and law-abidingness—the church; the trade association, guild, and profession; the neighborhood; the charitable organization; the club; or even the family—had been extirpated, co-opted, compromised, or corrupted. In Václav Havel’s words, “[T]here was nothing between the citizen and the state but a great wasteland. All that remained was the Party, with a capital ‘P.’” Weak and profoundly demoralized, civil society was largely incapable of even minimal self-policing and enforcing of rules. For millions, compliance with law was a product of terror and fear, rather than an internalized necessity.

Obsolete Economy and Surplus Labor (L-OESL). “Our economic situation is worse than it was at the end of World War II,” Lech Walesa complained. “We are left with Communism’s rubble, the shipyards, mines, and steelworks.” Although the nature and provenance of the “rubble” differ, this cri de coeur can be heard in every postcommunist nation.

Upon assuming office in 1985, Gorbachev’s first prime minister, Nikolai Ryzhkov, was shocked to learn that the country he considered an industrial world power “imported everything” of quality: from medicine and computers to furniture, rolling ball pens, and pantyhose. Every third loaf of bread in the Soviet Union was baked with imported grain. All that the Soviet Union could sell in the world market in sizable quantities was oil, gas, gold, and weapons.

Large segments of communist economies were not just backward but outright obsolete. Antimodern, politically driven, value-subtracting or “virtual,” with the value of inputs of labor and raw materials less than the value of the finished products, they were doomed to extinction. Precisely that happened. Once both the police protection and giant state subsidies ended or were substantially curtailed, markets became open to competition from vastly better and cheaper products, and postcommunist economies began—half a century behind the West—a fundamental shift from manufacturing to services, or from an economic “system of production” to one of “consumption.”

Relative to the population size at the time, the surplus labor produced by postcommunist economic revolutions (that is, those whose livelihood was derived from salaries earned by full-time employment in doomed state-owned enterprises) is comparable only to that during the Western European transition from the medieval to a modern (that is, mass production–based and capitalist) economic system, when the eighteenth- and nineteenth-century artisans and subsistence farmers were made increasingly obsolete by the innovations of the capitalist Industrial Revolution and by the ever-stronger tendency toward large-scale farming and the privatization of communal lands.
In the space of thirty years, at the end of the eighteenth and beginning of the nineteenth centuries, the leader of the Industrial Revolution, England, forced off the land eight of ten farmers and starved to death, branded, hanged, or shipped to overseas colonies tens of thousands of dispossessed peasants and urban poor. In Barrington Moore's words, "[A]s part of the industrial revolution, [England] eliminated the peasant question from English politics. The admitted brutality of the enclosures confronts us with the limitations on the possibility of peaceful transition to democracy and reminds us of open and violent conflicts that have preceded its establishment."  

In the postcommunist leap to modern capitalism, the private subsistence farmer, who had been eliminated by the ancien régime everywhere but in Poland, was supplanted by, among others, workers at obsolete thirty- to sixty-year-old plants; employees of the bloated state bureaucracies; and the members of what was aptly called the "anachronistic, overdeveloped and inefficient Eastern European educated élite," including tens of thousands of "scientists" in hundreds of "scientific research institutes." (In 1991 the Academy of Sciences in Bulgaria, with a population of 8.5 million, employed twenty-nine thousand "scholars.")  

Yet, unlike their peasant and artisan counterparts at the dawn of modern capitalism, the surplus workers of postcommunism were not silenced, suppressed, and forced into oblivion. Because of the coincidence of the democratic and capitalist revolutions, they became a major, at times decisive force in the politics of their nations.

Poverty (L-P). Even the wealthiest of the communist nations—the German Democratic Republic, Czechoslovakia, and Hungary—were poor compared with their western neighbors, while the poverty in Albania, Bulgaria, Romania, and most of the Soviet Union was often barely distinguishable from that of the Third World. Although it is grossly reductionist to argue, as did a Polish student of postcommunism, that "the collapse of the communist regimes was conditioned more by their failure to satisfy the economic aspirations of the population than by any other factor" and that elites "rebelled against the lack of freedom but the masses were mobilized by the economic inefficiency of the old system," there is no doubt that the legitimacy of the ancien régime was badly damaged by the daily misery: shortages of housing from Berlin to Alma-Ata, shortages of food, long lines for everything of quality.

In the Soviet Union, in 1988—the last year of relative stability before economic collapse—43 million people, or 17 percent of the population, had incomes
only 5 rubles above the “official” poverty level of seventy-five rubles a month ($7.50 on the still-illegal currency exchange). Altogether, 80 million Soviet citizens (nearly one-third of the total) earned less than one hundred rubles a month and, commented a Soviet journalist, “hardly made ends meet.” Russian villages were full of older women (mostly World War II widows) who received pensions of ten, six, or even four rubles a month. A needy family with many children received assistance in the amount of four rubles a month for the fourth child and six rubles for the fifth. As a result, postcommunist Russia started out in 1992 with 34 percent of its citizens below the official “subsistence level.” (By 1997 the number declined to 21 percent and then grew to 23 percent after the financial crisis of August-September 1998.)

One hundred million Soviet citizens (almost 40 percent) had less living space than prescribed by the official “sanitary norm” of nine square meters per person. Half of Soviet schools had no central heating, running water, or indoor toilets. One-third of the Soviet Union’s pensioners in the city and eight of ten in the villages received sixty rubles or less a month.

The Soviet Union ranked seventy-seventh in the world in personal consumption. When the Kuzbass miners struck in July 1989, their demands included 800 grams of soap for after-shift washup. In summer 1989, of 211 “essential food products,” only twenty-three were “regularly” available in state stores. People spent between forty and sixty-eight hours in lines monthly. In most cities meat was sold twice a year—around May Day and the anniversary of the revolution on 7 November; the vile sausage, if available, could be purchased only with a monthly ration coupon. Outside Moscow, milk was available only occasionally and often after queuing for hours. Millions of children grew up without ever seeing an orange. By 1989 even in Moscow not only meat and butter, but every major staple could be purchased only with a monthly rationing coupon. Two years later, in April 1991, only 12 percent of the respondents in a national survey claimed to have seen meat in state stores (v svobodnoy prodazhe). Butter was found by 8 percent of those surveyed, milk by 23 percent, eggs by 17 percent, vegetable oil by 6 percent, flour and groats by 6 percent, and fish by 7 percent. Nearly half (48 percent) “have seen nothing in stores.” Even with monthly ration coupons, only 11 percent of the respondents could buy all the rationed products: 34 percent could “fill in” (otovarit’) only some of the rationed food stuffs, while 36 percent reported “difficulty in filling in” any coupons.

Corruption (L-C). Forced to function within a wasteful, illogical, and consumer-hostile economy of public shortages and private privileges and to submit to a police state that criminalized private initiative (whether economic or political), generations of both citizens and authorities in former communist nations participated in and perpetuated a vast and deeply ingrained culture of corruption. Theft and venality became almost a reflexive part of the behavior of millions from Prague to Ulan Bator.

The corruption epitomized the erosion of the institutions of civil society and their subjugation to the state. The political control over justice was especially
damaging, for it “did more than weaken respect for the law; it potentially made every transaction involving the state a matter of bargaining—currency became power which allowed access to scarce goods.”

Inheriting the deeply corrupt society of the tsars, Soviet Russia became a hotbed of thievery and graft. “[We] stole from ourselves, took and gave bribes,” Ryzhkov wrote in his memoirs. In a superb primer on Soviet corruption, USSR: The Corrupt Society, a former leading Soviet lawyer and legal scholar called the Soviet Union “a land of kleptocracy.” Publicized by glasnost, official corruption, along with the nomenklatura privileges, was one of the most powerful mobilizing themes of perestroika. A leading Russian journalist described Russia in fall 1991 as “a country depraved to the core, a state rotten from top to bottom, a great power of fast thieves and bribe-takers.”

The Health Care Crisis (L-HCC). Like the rest of their economies, the public health care systems of communist countries were backward and plagued by the absence of modern diagnostic equipment, drugs, and procedures. Lack of equipment and training, for instance, made heart bypass surgery, which saved hundreds of thousands of men and women in the West, exceedingly rare.

Behind most of its Central and Eastern European neighbors, the Soviet Union in the second half of the 1980s not only suffered from shortages of modern drugs and equipment but did not have enough of the most elementary paraphernalia: aspirin and rubbing alcohol, scalpels, gowns for patients, sutures, and bandages. Disposable syringes were a rarity. In spring 1989, after scores of children in pediatric wards in Elista and Volgograd contracted AIDS through contaminated injection needles, the Soviet newspapers were filled with dire warnings about the all but inevitable AIDS epidemic due to the lack of single-use medical and dental equipment. One article predicted six hundred thousand HIV virus carriers by 1991 and 15 million infected by 2000.

According to the Soviet minister of health, in early 1988, 1,200,000 hospital beds (or 35 percent of the total) were in facilities without hot water; 60 percent of Soviet hospitals did not have indoor toilets; and every sixth bed was located in a hospital without running water. The Soviet Union had a higher rate of infant mortality than forty-nine nations, including Barbados and United Arab Emirates.

Modernity (M)

An East European student of postcommunism called the “neo-liberal reforms . . . one more modernizing leap forward in Eastern Europe’s timeless bid to catch up with Western Europe.” After decades of premodern economic and political systems, most postcommunist nations suddenly acquired major elements of modernity: consumer choice; abundant and fresh food accessible to the majority of the population without ration coupons, multihour lines or an informal network of connection and exchange; the end of police-enforced residence restrictions over most territory; de facto convertibility of the national currency; travel abroad; freedom of speech; newspapers, books, art, and foreign broadcasts free from government censorship and jamming; religious freedom; the end of state anti-Semi-
tism and discrimination against Jews in employment and education; the opportunity to start a private business, to sell, and to buy; the freedom to vote for opposition candidates in local and national elections; and immeasurably greater transparency of political and economic power and decision-making.

Gone were such archaic and universally resented modes of political mobilization and forced conformity as compulsory weekly classes in political education, participation in official meetings and demonstrations, membership in young communist organizations (Pioneers and Komsomol), and annual trips to the countryside to harvest potatoes. In Václav Havel's words, "[O]ur everyday life is incomparably better and richer now than it was in times when almost everything was forbidden and almost everyone was afraid to say aloud what he or she really thought."37

Opportunity, competition, mobility, and the inevitable uncertainty of private effort in both politics and economy have been exhilarating and richly rewarding for some and difficult, even tragic for others. Modernity has shaped the political and economic dynamic of postcommunism in innumerable ways. Two such instances are especially relevant for this discussion.

**Relative Deprivation (M-RD).** Relative deprivation, defined in sociology as people's comparing "their own situation with that of other people perceived as being comparable to themselves,"38 was heightened by modernity in at least three ways. First, there was a rapid increase of knowledge. From the exclusive privilege of the upper crust of the political and economic nomenklatura, travel outside the socialist camp became the pastime of millions. Unhindered access to Western television, books, newspapers, and magazines deepened a sense of relative deprivation. Tens of millions people learned that they were poor.

Relative deprivation was heightened also by the monetization of wealth made possible by price liberalization and the legalization of private economic activity. The nomenklatura's wealth was not in salaries, but in a vast, elaborate system of nonmonetary rewards: privileged access to quality goods and services, including exclusive hospitals, clinics, and pharmacies; hidden and guarded food depots; gourmet food "rations" and "parcels" sold at negligible 1930s prices; comfortable and spacious apartments; travel abroad; and first pick of the best books, plays, and concerts. In 1991 and 1996 International Social Justice Project surveys asked respondents to compare the compensation they received to what they felt they deserved. In 1991, the Russians polled felt that they deserved, on the average, 2.3 times more than they actually earned. In 1996, ideal salaries were four times as much.39

Finally, the wealth became more transparent by orders of magnitude. Under communism, the nomenklatura consumed secretly behind the tall walls of exclusive housing complexes, rest homes, and dachas. The elimination of limits on earnings and the decriminalization of private wealth ended the police-enforced semblance of egalitarianism. The new, postcommunist elite was brash, indiscreet, and often vulgar. It consumed most conspicuously. Both its wealth, which could be measured in dollar amounts that seemed astronomic to the impoverished
majority, and its lifestyle were now displayed daily. The massive and systemic poverty and the inequality inherited from communism were brought into a sharper relief by the postcommunist press and television, which, like their Western counterparts, put a commercial premium on negative news and were relentless in their pursuit of the new rich.

**Demographic Losers (M-DL).** The pace of change has been dizzying. Almost overnight, price liberalization and privatization have created a different world in which millions found themselves strangers—not unlike immigrants. As with immigrants, along with education and marketable skills, age became perhaps the most important predictor of adaptation and success (and also of income dynamics and political preference). Compared with younger men and women, most of those older than fifty were markedly worse off—if not always in material then certainly in psychological terms. In Russia in 1996, age was found to be “the single biggest socioeconomic determinant of subjective social status.”

Located mostly (although by no means exclusively) among “surplus labor,” “demographic losers” are predominantly older men and women in occupations doomed to extinction or drastic decline. These men and women “feel uneasy with openness and competition because [they are] fearful of ending up a loser.”

A related attitude is preference for a “collectivist, anti-individualist conception of citizenship, in which [their] fears of modernity would be minimized.”

Those were just several of the sociological implications of what Václav Havel called “a postcommunist form of debilitation”:

“Few of us . . . foresaw how profound and serious this debilitation would be, or how long it would last. For, along with communism, the structure of daily values held in place by the system for decades collapsed overnight, and along with it the way of life that evolved from those structures collapsed as well. The “time of certainties”—certainties that were, to be sure, small-minded, banal, and suicidal for society, but certainties none the less—gave way to a time of freedom. With it, completely new demands were placed on individual responsibility, and many found this responsibility unbearable. I sometimes compare this odd state to the psychosis that follows imprisonment, when a prisoner used to living for years in a narrow corridor of carefully devised rules suddenly finds himself in the strange landscape of freedom, where he must feel that everything is permitted, and, at the same time is overwhelmed by the immense need to make decisions each day and take responsibility for them . . . We can only remain perplexed at how long society is taking to adapt to the new and more natural conditions of life, and how profoundly the era of totalitarianism has seeped into our souls.”

The “postcommunist debilitation” is among the most frequently encountered and politically seminal phenomena of the transitional nations, to be found in the dilapidated, debt-ridden, and money-losing industrial dinosaurs, from the coal mines of Silesia, Donbass, Kuzbass, and Jiu Valley and the steel mills of Katowice and Chelyabinsk to Gdansk dockyards and Czech breweries. A version of this anomy was encountered by Gaddy in Russian “company towns” belonging to defunded defense plants. The victims—“those who stay behind,” the “old work force”—ignored the monetization of the Russian economy; they cared less
“about cash relative to paternalism” and would tolerate managers who failed to pay their salaries, as long as the plant continued to provide social services. Although “many of the best and most ambitious” defense workers discovered that goods, services, housing, and medical care can now be bought on a free market, rather than supplied as part of a “job package,” and were lured away by higher salaries, the “demographic losers” were likely to “remain with their defense enterprises until what may be the bitter end.”

In shaping individuals’ attitudes toward the economic liberalization, even participation in anticommunist rebellion appears to be outweighed by the two defining attributes of “demographic losership”—“surplus” occupation, and age. Anna Walentynowicz’s dismissal on 7 August 1980 from the Gdansk shipyard, where she had worked as a crane operator, sparked the strike that led to the birth of Solidarity. Nineteen years later, at the age of seventy, she told a reporter that the revolution had brought only “mass poverty” and “homelessness.” (The shipyard, where seventeen thousand people used to work, was liquidated in 1996.)

Causality, Interaction, Outcomes

The Right-to-Left Paradigm (L-OESL+M-DL+M-SDEC+VR)

After the initial breakthroughs, both the pace and the substance of the reforms were shaped by political imperatives forged by the significant and well-organized voter bloc opposed to major elements of radical liberalization. Not a single postcommunist country has simultaneously and consistently implemented the five components of liberalization accepted as the key to a relatively quick, successful, and lasting transformation: the elimination of subsidies and below-inflation interest rates for state credits; the end of price control; freedom of entry into the market; a competitive free-trade environment; and privatization.

The reformist regimes picked, chose, and compromised following the twists and turns of democratic politics, often finding themselves severely constrained and even immobilized. Mutatis mutandis, some key elements of the capitalism-by-majority plot have been recognizable in every postcommunist nation. Parliaments dominated by leftist populists adopted budgets with ever greater “social spending” and subsidies for public-sector or nominally private enterprise among politically sensitive constituencies, such as farmers or coal miners. In the absence of tax revenues even remotely commensurate with skyrocketing expenditures, the result is burgeoning budget deficits, weaker national currencies, higher interest rates, and heavy indebtedness to the international financial institutions.

In the worst-case scenario, the vicious circle closes as governments seek to make ends meet by selling debt at astronomically high rates of return and, as a condition for receiving IMF loans, increase already high taxes. There follow depressed equity prices, stifled direct investment in the economy, capital flight, the shift of an even greater portion of economic activity into “grey” or “black” areas, and a further decrease in the tax base. In the end, the government is confronted with Hobson’s choice of reigniting inflation by printing money or delaying (or reducing) the already meager welfare benefits and cutting government services.
The initial decline in the standard of living for most of the population and an equally steep increase in income inequality dashed the expectations of a leap to prosperity under new democratic governments and of "more—not less—equality." In a 1994 survey of ten postcommunist countries, only in the Czech Republic did more people rate the new society more positively than the ancien régime. Judging by the data reproduced in table 1, two years later the situation was hardly better: the number of the dissatisfied in the samples ranged from over half in Estonia and Hungary to two-thirds in Russia and four-fifths in Bulgaria.

Not only were most respondents in all four countries dissatisfied in 1996, they remembered their 1989–90 self-described economic status to be far better than they reported it to be at the time: compared to what they actually said five years earlier, in their recollection the share of the dissatisfied was reduced by at least half and those "completely dissatisfied" by orders of magnitude.

As formulated by the dean of American sociologists, W. I. Thomas, and popularized by Robert Merton, the "Thomas theorem" postulates that "[i]f men define situations as real, they are real in their consequences." Shaped by the distorted recollection of the past (and the much commented-on nostalgia for the time when one was younger and the world so much more predictable, and everything although worse in quality and harder to find, cheaper), postcommunist politics quickly became the most important of these "consequences."

Economic liberalization was attempted within the framework of a bare-bones but real electoral democracy. Preserved largely intact by the velvet revolutions, the industrial nomenklatura and the old regime's bureaucracy coalesced into powerful antireform lobbies, while the equally unmolested apparatus of the Communist Parties became the principal articulator of the frustrations and the purveyor of political cadres for the opposition. The core of the left's electorate was located among surplus labor and demographic losers, whose age and skills proved an insurmountable barrier to adaptation and whose economic self-perception was adversely and deeply affected by the sudden transparency of both the outside world and of the new economic elite.

In the main, the political dynamic of the first years of postcommunism has recurred often enough in different countries to be considered standard. Following the first structural reforms—price liberalization, deep budget cuts, and privatization—the electorate turned sharply left. Neocommunists—social-democratized or unreformed—won pluralities or majorities in almost all national legislatures. First in Lithuania, Poland, and Hungary, and later in Romania, they were given executive power as well: the presidency or the prime ministry. In the most recent affirmation of the pattern, the neocommunists trounced center-right alliances in Moldova and Poland, securing parliamentary majorities and (in Moldova) the presidency, as well.

Even in the former East Germany, whose postcommunist transition has been smoothed by the softest velvet of all—the equivalent of $900 billion (or $53,000 for each person) in direct assistance; the overnight transformation of its worthless currency into the mighty deutsche mark, and immediate access to perhaps the richest welfare state in the world—throughout the 1990s between one-fifth
TABLE 1. Dissatisfaction with Standard of Living (in rounded percentages)

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*The categories have been compiled based on a response given on a seven-point scale, ranging from completely satisfied to completely dissatisfied. The category "dissatisfied" includes all those who picked any of the three "dissatisfied" options. In all four countries, the "neutral" response (4 on the scale) was quite large, which left few people in the "satisfied" categories.

and one-fourth of the voters continue to choose the Party of Democratic Socialism of the former East German Communists in national parliamentary elections. In 1999, a national survey found that only 38 percent of East Germans “liked living in a democracy” and one in seven wanted to restore the Iron Curtain.\textsuperscript{54}

Until 1999 the most conspicuous deviation from this pattern was the Czech Republic. Yet after several years of economic stagnation, by 1999 the unreformed Communist Party of Bohemia and Moravia surged in the opinion polls, surpassed the Social Democrats, and reached parity with the country’s most popular party, the center-right Civic Democrats, by gaining the support of about one-fifth to one-fourth of the electorate.\textsuperscript{55} In a November 1999 national survey, only slightly more than half the sample said that they “approved of the fall of Communism,” while 32 percent “regretted the demise of the Communist regime.”\textsuperscript{56}

By early 1999 nearly half the respondents in a national poll said that President Václav Havel, who had led the velvet revolution ten years earlier, should resign.\textsuperscript{57} “He gave people hope, but did not fulfill it,” a Czech worker told an American reporter.\textsuperscript{58} When his presidential term expires in January 2003, Havel is likely to leave office deeply unpopular in his country.\textsuperscript{59}

\textbf{Poland’s Locus Classicus}

Poland’s reputation as the pioneer of postcommunist economic liberalization is based on the depth, speed, and consistency of the initial reforms, which in most other nations were implemented only partially and stretched over a much longer period of time. That history makes the Polish case a vivid and compact illustration of the paradigm just outlined.

On 1 January 1990 Prime Minister Tadeusz Mazowiecki’s right-of-center government launched an economic revolution-from-above designed by Finance Minister Leszek Balcerowicz. Known as “shock therapy” (or “big bang”), it included the freeing of prices; the abolition of foreign trade restrictions and of licensing and regulation of small businesses; devaluation and convertibility of the zloty; restrictive monetary and fiscal policies; deep budget cuts; removal of subsidies for electricity, gas, and medicine; and introduction of sales taxes.

The standard of living plunged for most Poles, and inequality grew dramati- cally. One scholarly observer noted “the national budget falling victim to the unsuccessful monetarist policies,” with education, culture, and health services suffering “the heaviest blows.”\textsuperscript{60} In the November 1990 presidential elections, Mazowiecki received 18 percent of the vote and resigned as prime minister. In November 1991, Balcerowicz resigned as deputy prime minister and finance minister, together with the rest of the reform-oriented cabinet.

The next year, having achieved a balanced consumer market and currency convertibility, the country was still in a deep recession. The budget deficit continued to grow; the standard of living continued to decline. According to a 1992 UNICEF study, the share of the population living in poverty increased from 25 percent in 1989 to 44 percent in 1992.\textsuperscript{61} A national survey conducted the same year suggested even greater misery: 46 percent of the respondents reported that their incomes were “much too low,” while 37 percent said that they could not make ends meet.\textsuperscript{52}
In 1993, national strikes of, among others, coal miners, teachers, and medical personnel led to a parliamentary vote of no confidence in Hanna Suchocka's right-of-center government. Following the dissolution of the Sejm and new elections in September 1993, the reformed Communists won a majority in the Sejm.

Reviewing his country's record of economic transformation, a scholar concluded in 1995 that "Poland can serve as a warning example to countries which undertake the transition to market economy." The same year, campaigning as a voice and protector of those who suffered as a result of the reforms, the candidate of the united left, the excommunist Alexander Kwasniewski, defeated Lech Walesa and was elected president. Kwasnieweski was re-elected in October 2000 to another five-year term.

**Privatization (L-C+L-INV+BW)**

Among many other factors, postcommunist economic policies were shaped by the preservation of the old economic elites; the simultaneity of democratic revolution and economic liberalization and the legacies of the ancien régime: the absence of modern commercial codes; corrupt and ineffectual courts incapable of protecting minority shareholders' rights, enforcing contracts, or initiating bankruptcy procedures; and public skepticism, indifference, or hostility toward the sale or giveaway of state possessions. Entrenched industrial nomenklatura invested enormous economic and organizational resources in shaping the outcome, and democratic politics placed no restrictions on the deployment of those resources. As a result, Poland postponed privatization of most industry, keeping unprofitable enterprises afloat with expensive state subsidies. As late as 1996, 59 percent of Poland's medium-sized and large enterprises were still in the state's hands—as compared with 4 percent in Estonia, 25 percent in Lithuania, and 34 percent in Russia. Much of Poland's budget deficit, which equaled more than 8 percent of the country's GDP, resulted from subsidies to the industrial public sector.

Another initial front-runner, the Czech Republic, also was reluctant to push for restructuring or bankruptcy of nominally privatized but loss-making enterprises. Most damaging, the unreformed state-owned banks continued to subsidize money-losing firms through low-interest loans, most of which were never repaid.

In the end, privatization through sales to individual outsiders was politically feasible only in Hungary and Estonia. Other nations, if they undertook large-scale privatization at all, relied heavily on insider management and employee buyouts, case-by-case equity offerings, and vouchers distributed to the entire population at nominal prices. The dominant outcome was nomenklatura privatization.

"I agree 90 percent with those who complain they made sacrifices that former Communists have taken advantage of," Lech Walesa told a reporter. "The Communists had a taste for action. They were better prepared for the new society." A Prague worker's plea could have been heard in every postcommunist capital: "I believed [Václav Havel] would bring . . . justice but he really disappointed me. All the Communists who stole were allowed to keep their wealth, and today they are captains of industry."
As rent-seekers rather than profit-maximizing entrepreneurs, most new owners—whether management or the “workers’ collectives” subservient to them—perpetuated incompetence, bloated payrolls, and fierce resistance to innovation and competition. The former Solidarity activist Anna Walentynowicz saw “self-styled capitalists selling off our plants and pocketing the money.”

Foreign investors were routinely swindled or forced out, as were Western shareholders of the Czech Republic’s most popular private television station, TV Nova, who found themselves cut out by their local partners. “If our recent experience as principal investor in the Czech Republic’s most successful broadcasting company is any indication,” the shareholders stated in a full-page advertisement in the *Washington Post* in November 1999, “Czech business, regulatory, and legal practices fall woefully short of international standards.”

**Decreasing Fertility and Population Projection Decline (M+L-OESL)**

Between 1980 and 1998, fertility and the projected population size have declined dramatically in all postcommunist countries, without exception. The number of births per woman dropped on average by 37 percent for nations of both East-Central Europe and the former Soviet Union (FSU). Some of the sharpest reductions occurred among the leaders of the transition—Poland, 39 percent; Estonia, 40 percent; the Czech Republic, 43 percent; Slovenia, 43 percent; and Latvia, 45 percent. In the ten years since German unification, the birthrate in the former GDR fell by 50 percent (see tables 2 and 3).

The sharp decline in enterprise-based child-care services that accompanied the end of state ownership of the economy provides part of the explanation. As in the cases of other heavily subsidized goods and services (housing, utilities, medical care), the greatest impact was in the potential or actual surplus labor categories: blue-collar families with few marketable skills employed in obsolescent industries.

Yet the extent of the fertility decline and its cross-national uniformity point to additional, modernity-linked reasons, including new career opportunities for women, long-term career planning, and the ability to postpone birth, with abortion no longer the de facto sole reliable means of contraception. “Since 1989, there has been a tremendous change for the better for most women,” wrote the head of the gender studies department at Charles University in Prague. Younger women were the primary beneficiaries of the change: “They know about feminism and birth control. Abortion rates have fallen, the average age for a woman [to have her] first child is now 24, which shows that careers are becoming more important. During communism, it was under 20.” For better or worse, women of the former Soviet bloc are joining their modern sisters in Western Europe, where the fertility rates have been below population replacement levels for decades (see tables 3a and 3b).

As the tables show, by the year 2050 the populations of all industrialized postcommunist nations are projected to decrease very significantly. During the first twenty-five years of the same period, the population of France will contract by 18 percent, Japan by 20 percent, Germany by 30 percent, and Italy by 32 percent.
TABLE 2A. Decline in Total Fertility Rate (Births per Woman), from Lowest to Highest, Former U.S.S.R.

<table>
<thead>
<tr>
<th>Country</th>
<th>1980</th>
<th>1998</th>
<th>Decline (numeric)</th>
<th>Decline (percentage)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Moldova</td>
<td>2.4</td>
<td>1.7</td>
<td>0.7</td>
<td>29.17</td>
</tr>
<tr>
<td>Lithuania</td>
<td>2.0</td>
<td>1.4</td>
<td>0.6</td>
<td>30.00</td>
</tr>
<tr>
<td>Kazakhstan</td>
<td>2.9</td>
<td>2.0</td>
<td>0.9</td>
<td>31.03</td>
</tr>
<tr>
<td>Kyrgyzstan</td>
<td>4.1</td>
<td>2.8</td>
<td>1.3</td>
<td>31.71</td>
</tr>
<tr>
<td>Belarus</td>
<td>2.0</td>
<td>1.3</td>
<td>0.7</td>
<td>35.00</td>
</tr>
<tr>
<td>Ukraine</td>
<td>2.0</td>
<td>1.3</td>
<td>0.7</td>
<td>35.00</td>
</tr>
<tr>
<td>Russia</td>
<td>1.9</td>
<td>1.2</td>
<td>0.7</td>
<td>36.84</td>
</tr>
<tr>
<td>Azerbaijan</td>
<td>3.2</td>
<td>2.0</td>
<td>1.2</td>
<td>37.50</td>
</tr>
<tr>
<td>Tajikistan</td>
<td>5.6</td>
<td>3.4</td>
<td>2.2</td>
<td>39.29</td>
</tr>
<tr>
<td>Estonia</td>
<td>2.0</td>
<td>1.2</td>
<td>0.8</td>
<td>40.00</td>
</tr>
<tr>
<td>Turkmenistan</td>
<td>4.9</td>
<td>2.9</td>
<td>2.0</td>
<td>40.81</td>
</tr>
<tr>
<td>Uzbekistan</td>
<td>4.8</td>
<td>2.8</td>
<td>2.0</td>
<td>41.67</td>
</tr>
<tr>
<td>Armenia</td>
<td>2.3</td>
<td>1.3</td>
<td>1.0</td>
<td>43.48</td>
</tr>
<tr>
<td>Georgia</td>
<td>2.3</td>
<td>1.3</td>
<td>1.0</td>
<td>43.48</td>
</tr>
<tr>
<td>Latvia</td>
<td>2.0</td>
<td>1.1</td>
<td>0.9</td>
<td>45.00</td>
</tr>
</tbody>
</table>

Average decline in fertility rate (numeric): -1.11 or 37%

TABLE 2B. Decline in Total Fertility Rate (Births per Woman), from Lowest to Highest, Former Eastern European Communist Countries

<table>
<thead>
<tr>
<th>Country</th>
<th>1980</th>
<th>1998</th>
<th>Decline (numeric)</th>
<th>Decline (percentage)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bosnia and Herzegovina</td>
<td>2.1</td>
<td>1.6</td>
<td>0.5</td>
<td>23.81</td>
</tr>
<tr>
<td>Yugoslavia (former)</td>
<td>2.3</td>
<td>1.7</td>
<td>0.6</td>
<td>26.09</td>
</tr>
<tr>
<td>Albania</td>
<td>3.6</td>
<td>2.5</td>
<td>1.1</td>
<td>30.56</td>
</tr>
<tr>
<td>Hungary</td>
<td>1.9</td>
<td>1.3</td>
<td>0.6</td>
<td>31.58</td>
</tr>
<tr>
<td>Poland</td>
<td>2.3</td>
<td>1.4</td>
<td>0.9</td>
<td>39.13</td>
</tr>
<tr>
<td>Slovak Republic</td>
<td>2.3</td>
<td>1.4</td>
<td>0.9</td>
<td>39.13</td>
</tr>
<tr>
<td>Czech Republic</td>
<td>2.1</td>
<td>1.2</td>
<td>0.9</td>
<td>42.86</td>
</tr>
<tr>
<td>Slovenia</td>
<td>2.1</td>
<td>1.2</td>
<td>0.9</td>
<td>42.86</td>
</tr>
<tr>
<td>Bulgaria</td>
<td>2.0</td>
<td>1.1</td>
<td>0.9</td>
<td>45.00</td>
</tr>
<tr>
<td>Romania</td>
<td>2.4</td>
<td>1.3</td>
<td>1.1</td>
<td>45.83</td>
</tr>
</tbody>
</table>

Average decline in fertility rate (numeric) -0.84, or 37%

Source: The World Bank, 2000 World Development Indicators, Table 2.16, www.worldbank.org/data/databytopic/databytopic.html; the 1980 benchmark rate for GDR was not available.

Corruption \((BW+L-INV+L-C)\)

In the short term, massive devolution of state control or ownership of the economy increases venality everywhere. Graft has been and remains a key political issue in Mexico, Brazil, Argentina, India, Taiwan, South Korea, and Turkey—the
TABLE 3A. Projected Change in Population 1998 to 2050, from Lowest to Highest, Former U.S.S.R.

<table>
<thead>
<tr>
<th>Country</th>
<th>Change in Thousands</th>
<th>Percentage Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estonia</td>
<td>-502</td>
<td>-35.13</td>
</tr>
<tr>
<td>Latvia</td>
<td>-796</td>
<td>-32.84</td>
</tr>
<tr>
<td>Ukraine</td>
<td>-11,559</td>
<td>-22.73</td>
</tr>
<tr>
<td>Lithuania</td>
<td>-727</td>
<td>-19.68</td>
</tr>
<tr>
<td>Belarus</td>
<td>-1,985</td>
<td>-19.24</td>
</tr>
<tr>
<td>Russia</td>
<td>-26,178</td>
<td>-17.75</td>
</tr>
<tr>
<td>Georgia</td>
<td>+121</td>
<td>+2.39</td>
</tr>
<tr>
<td>Moldova</td>
<td>+128</td>
<td>+2.92</td>
</tr>
<tr>
<td>Armenia</td>
<td>+460</td>
<td>+13.01</td>
</tr>
<tr>
<td>Azerbaijan</td>
<td>+2,312</td>
<td>+30.15</td>
</tr>
<tr>
<td>Kazakhstan\textsuperscript{a}</td>
<td>+1,718</td>
<td>+10.20</td>
</tr>
<tr>
<td>Kyrgyzstan\textsuperscript{a}</td>
<td>+1,544</td>
<td>+34.14</td>
</tr>
<tr>
<td>Tajikistan\textsuperscript{a}</td>
<td>+3,614</td>
<td>+60.00</td>
</tr>
<tr>
<td>Turkmenistan\textsuperscript{a}</td>
<td>+2,216</td>
<td>+51.55</td>
</tr>
<tr>
<td>Uzbekistan\textsuperscript{a}</td>
<td>+10,564</td>
<td>+44.42</td>
</tr>
</tbody>
</table>

Average change: +6.76%  
\textsuperscript{a}The population for these countries is projected to 2025.

TABLE 3B. Projected Change in Population 1998 to 2050, from Lowest to Highest, Former Eastern European Communist Countries

<table>
<thead>
<tr>
<th>Country</th>
<th>Change in Thousands</th>
<th>Percentage Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>East Germany\textsuperscript{a}</td>
<td>-5,300</td>
<td>-34.64</td>
</tr>
<tr>
<td>Romania</td>
<td>-6,055</td>
<td>-26.94</td>
</tr>
<tr>
<td>Hungary</td>
<td>-2,628</td>
<td>-25.98</td>
</tr>
<tr>
<td>Slovenia</td>
<td>-506</td>
<td>-25.39</td>
</tr>
<tr>
<td>Czech Republic</td>
<td>-2,453</td>
<td>-23.86</td>
</tr>
<tr>
<td>Croatia</td>
<td>-808</td>
<td>-18.03</td>
</tr>
<tr>
<td>Bulgaria</td>
<td>-2,663</td>
<td>-13.95</td>
</tr>
<tr>
<td>Slovakia</td>
<td>-541</td>
<td>-10.06</td>
</tr>
<tr>
<td>Poland</td>
<td>-2,462</td>
<td>-6.36</td>
</tr>
<tr>
<td>Yugoslavia</td>
<td>-87</td>
<td>-0.82</td>
</tr>
<tr>
<td>Bosnia and Herzegovina</td>
<td>+92</td>
<td>+2.50</td>
</tr>
<tr>
<td>Albania\textsuperscript{b}</td>
<td>+975</td>
<td>+29.27</td>
</tr>
</tbody>
</table>

Average change: -12.86%  
\textsuperscript{a}According to various estimates by the Federal Statistical Office of Germany, the population of East Germany is projected to decrease between 18 and 35 percent by the year 2050.  
\textsuperscript{b}Projected to 2025.  

countries where privatization and deregulation in the past decade have approached the postcommunist scale. The world’s leader in embezzlement, bribery, and smuggling, semicapitalist authoritarian China “punished” 130,000 officials in 2000 alone and executed a number of them, including the vice chairman of the National People’s Congress. Official venality was a focus of the 1989 mass protests on Tiananmen Square.

According to a prominent Czech critic, at the height of the Czech free market reforms “corruption [was] engulfing Czech public and business life.” A newspaper editor and former leading dissident, Ilona Kiss said that in Hungary “corruption has risen and now affects senior politicians and the police.” She was “frightened” by the “way [government] ministers use the secret police for political purposes.”

In Sofia in spring 2000 protesters’ banners featured corruption alongside poverty and unemployment as the country’s major social ills. Bosnian leaders have been charged by a U.S.-led, international antifraud body of stealing up to $1 billion in foreign donations. The government of Croatia, under President Franjo Tudjman, reportedly embezzled several billions of dollars from the state’s treasury, making his country of 4.5 million the world’s per capita corruption champion.

In Ukraine, which until recently was the recipient of the fourth-largest U.S. assistance grant (after Israel, Egypt, and Colombia), property and economic crimes (including theft, swindling, extortion, and bribery) increased by 250 percent between 1988 and 1997. In 1998, a shadow economy accounted for 60 percent of that country’s GDP. A 1999 World Bank newsletter bemoaned “the omnipresence of corruption” and called the “alliance among former Party elite, members of the law enforcement and security apparatuses, and gangs of organized criminals . . . the most pernicious element of the crime phenomenon in Ukraine.”

Accused of stealing millions of dollars in state funds, Ukraine’s former prime minister, Pavlo Lazarenko, fled to the United States, where he purchased a mansion in California for nearly $7 million in cash. In an August 1999 appeal to Ukraine’s president, Leonid Kuchma, the four most prominent opposition leaders alleged that in the preceding six years “Ukraine [had] lost more than during the Nazi [1941-44] occupation.”

Although economic and political liberalization vastly increased the sums involved and made official malfeasance apparent to the outside world, the pervasiveness of corrupt practices suggests deeper roots. The normative wasteland and institutional vacuum, in which the venal and badly underpaid bureaucrat in possession of pieces of the beached whale meets the newly empowered and hungry entrepreneur, have made corruption one of the defining characteristics of postcommunist economies, politics, and public opinion. In the words of a perceptive observer of postcommunist transition in East-Central Europe,

Where public service is not understood as an ideal, where bureaucrats are underpaid, corruption is all but automatic, and both parties in a bureaucratic transaction expect this to happen. The process becomes a self-fulfilling prophecy. This engenders a cycle that is extremely difficult to break, especially because no one is eager to assume the risk of believing that a particular regulation is, in fact, being applied without prejudice; people expect hidden agendas, discrimination and conspiracies. . . . It is no won-
der that under postcommunism legality exists more on paper than as a set of internalized norms. When respect for rules has been sustained by force, no inner understanding remains once that force is removed of why adherence to the rules is valuable in itself.86

This pessimistic hypothesis has been borne out. In surveys conducted in 1997–98, citizens of the Czech Republic, Slovakia, Bulgaria, and Ukraine were asked if their compatriots were likely to seek private contacts with officials to obtain what they were entitled to by law. Between 76 percent (the Czechs) and 90 percent (the Ukrainians) answered in the affirmative; and 44–81 percent thought that money or an “expensive present” was also likely to change hands.87 Although many respondents blamed “greedy” officials and governments that did not “pay officials properly,” half of the polled Czechs and Slovaks put most of the blame on people “desperate to buy favors.” Nearly half (46 percent and 47 percent) of the Czech and Slovak respondents also felt that “the use of money, presents, favors and contacts to influence officials” was “a permanent part” of their countries’ culture.88

Of the twenty postcommunist nations listed in a corruption survey of ninety nations worldwide, only two—Estonia and Slovenia—were ranked in the top third of the list, and only five more—Hungary, Lithuania, the Czech Republic, Poland, and, rather incredibly, Belarus—found themselves in the upper half (see tables 4a and 4b).89 The average rank of nations of the former Soviet Union was considerably worse than that of the countries of East-Central Europe—sixty-five versus fifty—indicating a greater systemic problem. The FSU’s corruption score would have been higher still but for the exclusion of four notoriously corrupt nations that were not in the tally because of an insufficient foreign business presence there: Georgia, Kyrgyzstan, Tajikistan, and Turkmenistan. Ukraine was found to be the world’s third most corrupt society, after Nigeria, ranked ninetieth, and Yugoslavia, ranked eighty-ninth.

To account for Russia’s postcommunist corruption it is only necessary to recall that nowhere in the postcommunist world was the beached whale larger and nowhere else were the moral foundations of civil society scorched deeper and longer.

**The Russian Version: The “Context”**

*Surplus Labor.* The distortions left behind by the state-owned economies were the deepest and hardest to right in the former Soviet Union, especially in Russia and Ukraine, where the depredations of Stalinist industrialization, collectivization, and militarization were the worst and the era of an autarkic and politically driven economy the longest. Toward the end of Soviet rule, an estimated 30 percent of
TABLE 4A. Transparency International 2000 Corruption Perceptions Index from Least Corrupt to Most Corrupt, Former U.S.S.R.

| Country        | CPI score | Rank
|----------------|-----------|------
| Estonia        | 5.7       | 27   |
| Belarus        | 4.1       | 43   |
| Lithuania      | 4.1       | 43   |
| Latvia         | 3.4       | 57   |
| Kazakhstan     | 3         | 65   |
| Moldova        | 2.6       | 74   |
| Armenia        | 2.5       | 76   |
| Uzbekistan*    | 2.4       | 79   |
| Russia         | 2.1       | 82   |
| Azerbaijan     | 1.5       | 87   |
| Ukraine        | 1.5       | 87   |

Average rank: 65

TABLE 4B. Transparency International 2000 Corruption Perceptions Index from Least Corrupt to Most Corrupt, Former Eastern European Communist Countries

| Country          | CPI score | Rank
|------------------|-----------|------
| Slovenia         | 5.5       | 28   |
| Hungary          | 5.2       | 32   |
| Czech Republic   | 4.3       | 42   |
| Poland           | 4.1       | 43   |
| Croatia          | 3.7       | 51   |
| Bulgaria         | 3.5       | 52   |
| Slovak Republic  | 3.5       | 52   |
| Romania          | 2.9       | 68   |
| Yugoslavia       | 1.3       | 89   |

Average rank: 50

*Of 90 countries surveyed.

labor and raw materials inputs lost value during production because of the substandard quality of finished products. In the first year of its existence, post-communist Russia spent 39 percent of the GDP on industrial subsidies. (The subsidies were slashed to 15 percent by 1994.)

According to a secret study commissioned by Mikhail Gorbachev in 1989, the end of state industrial subsidies would result in the unemployment of 40 million people, or more than two-fifths of all Russian adults, within one year. One of the
most authoritative foreign surveys of the Russian economy concluded in 1999 that 50 percent of all Russian industrial enterprises, which employed 30 percent of the workforce, were “not worth upgrading because they [are] either sub-scale or rely on obsolete technology.” Leading Russian economists found that in 1999 about one-fourth of the country’s enterprises could not sell manufactured products at prices that exceeded production costs.

The end of the state plan and forced consumer choice on the one hand, and a significant reduction in state subsidies and a partial opening to competition from abroad on the other, resulted in the de facto bankruptcy of thousands of enterprises that produced substandard or noncompetitive goods. According to the first deputy prime minister, Oleg Soskovets, 35 percent of all Russian enterprises were “technically bankrupt” in 1996. Millions of workers became in effect unemployed, even as most continued to go to work and collect their meager and often delayed salaries.

The thorough militarization of Russia’s Soviet economy swelled its postcommunist surplus labor. If one includes family members of workers, the livelihood of between one-fourth and one-third of Russians depended in one way or another on employment in the military-industrial complex. In addition to millions of blue-collar workers, engineers, and enterprise managers, the figure included scientists in both fundamental and applied research, which was almost entirely funded by the defense sector.

Foreign Minister Evgeniy Primakov stated in 1998 that 70 percent of Soviet GDP had been “spent on defense and defense-related projects.” Beginning with the 92 percent cut in defense procurement by the Yeltsin-Gaidar government in 1992, the radical demilitarization by the Russian government reduced defense spending to less than 5 percent of the GDP. Even assuming exaggeration by Primakov, and placing defense expenditures closer to the Western consensus of 25–30 percent of GDP, the reduction was enormous and traumatic for millions of Russians, especially for those in defense industry’s “company towns,” in which the parent plant provided virtually all social services, including housing, utilities, schools, hospitals, and kindergartens.

The “Human Face” Factor. The political dynamic that led to the left’s capturing legislative and in some cases executive power in a number of postcommunist nations has obtained under two conditions. First, many (if not most) of the most painful structural reforms had already been implemented. Second, where the voters entrusted the left with executive power, they were satisfied that while modifying the pace of reforms and increasing public spending, the new authorities would not undo the key achievements of the revolution, especially private property and personal liberties.

Thus the postcommunist left’s ability to gain voters’ confidence depended on its success in projecting a “human face” (to recall the motto of the Prague Spring) and on satisfying the voters that such a face reflected a genuine change rather than skillfully applied makeup. The Baltic countries apart, of the five countries of the former USSR in which the results of national elections may be said broad-
ly to reflect voter preferences (Armenia, Georgia, Moldova, Russia, and Ukraine), only in Moldova do the communists appear to have passed the "human face" test.

For a number of reasons, in the first postcommunist decade Russia has failed to develop a mass, moderate center-left. Organized as a hard-line opposition to Gorbachev in 1990, the Communist Party of the Russian Federation has remained dogmatic and reactionary. Although they followed the leftward lurch of postcommunist politics, the majority of Russian voters wisely and consistently withheld from the unreformed left both the top executive office and an outright majority in the national legislature.

In the first postcommunist legislative elections, held in 1993—one of the worst years for the economy—the deputies from the radical, proreform Russia’s Choice outnumbered every other faction. Two years later the communist-led left received only 4 percent more votes than the proreform and proregime parties: 32 percent and 28 percent, respectively. (Because 9.6 million votes, or 14 percent of the total, were cast for center-right parties that failed to gain the necessary 5 percent each to qualify for Duma representation, the KPRF and its allies ended up with 35 percent more deputies.)

In the 1996 presidential runoff, Boris Yeltsin defeated the leader of the united left’s Popular-Patriotic Front, Gennady Zyuganov, 54 percent to 40 percent. In the December 1999 legislative elections, held after the financial crisis, the three largest progovernment and proreform parties garnered 38 percent of the party-list vote compared with 25 percent for the communists. Finally, in the March 2000 presidential election, Yeltsin’s hand-picked successor, former prime minister and Acting President Vladimir Putin, received 53 percent of the vote to Zyuganov’s 29 percent. On the local level, communist governors have been a distinct minority among the elected leaders of Russia’s eighty-nine regions.

The Economic Policy. Although the absence of the left with “a human face” kept the "commanding heights" of Russian politics in the hands of proreform government, surplus labor, demographic losers, and the unreformed left forged the key political dilemma of the Russian transition between 1992 and 1999: how to construct a free-market economy in a democracy where 30–40 percent of the electorate supports parties opposed to some of the most basic structures of modern capitalism.

Although Russian voters denied the executive power to the left, all the structural factors responsible for the right-to-left paradigm of postcommunism were very much in evidence. Coupled with the splintering of the proreform electorate, they resulted in the leftist legislative plurality between 1995 and 2000. The consequences have been momentous for both the nature of reforms and the consistency and pace of implementation.

For example, in October 1993 President Yeltsin signed the decree that gave former collective farmers legal title to the land and property shares of the kolkhozes and allowed land sales by private citizens. In March 1996 he signed another decree confirming the peasants’ right to dispose of their land in any way they wished, including selling, mortgaging, leasing, and deeding as a gift. The Duma rejected both decretes, thus preventing them from becoming law. Instead,
the legislature passed the Land Code, which prohibited the sale of land in any form. Yeltsin twice vetoed the code and called it “the most reactionary” measure. In both instances his veto was overridden by the legislature.

In 1997 the government introduced a Tax Code that would have slashed the number of taxes from more than three hundred to no more than five and would have significantly lowered tax rates. It was not until summer 2000 that the new code, which reduced the top taxation rate from 30 percent to 13 percent, was finally passed.

The majority of the deputies were just as resistant to another vital step toward liberal capitalism: the breakup and restructuring of wasteful and inefficient state-controlled monopolies in gas, electricity, and transportation and greater foreign participation in the energy sector. Instead, in May 1998 the Duma passed a law that limited to 25 percent the share of foreign ownership of the electricity monopoly United Energy System. The measure touched off what proved to be the final phase of the flight from the Russian market: the panicked sell-off of stock and treasury bonds by foreign investors.

The industrial lobby used its unparalleled clout in the Duma successfully to gain increased subsidies, tax relief, and outright bailouts for money-losing enterprises, whether state-owned or nominally privatized. In the few years leading up to the financial crisis of August-September 1998, the government extended a total of $10 billion in soft loans to enterprises.99 (Russia’s entire 1998 federal budget was around $100 billion.)

In 1998 nearly $1 billion was appropriated to pay the salaries of miners, most of whom were employed in privatized pits. Following the miners’ national strike, which the parliamentary majority actively supported, the government agreed to pay $4 billion in back wages (most of which had been stolen by the mine managers and owners). In doing so, the government destroyed the last vestige of investor confidence in the Kremlin’s ability to cut spending and bring down interest rates. A month later the government defaulted on domestic debt and devalued the ruble.

Supported by the federal budget either directly, through the payment of salaries and state-guaranteed loans, or indirectly, by tax forgiveness and a free supply of electricity and gas from state-controlled monopolies, by the year 2000 plants and factories had accumulated debts equaling 65 percent of the country’s GDP.

The increasingly anti-reform Supreme Soviet resisted decontrolling domestic oil prices, while the central bank, which was under the Supreme Soviet’s control until September 1993, extended massive loans to enterprises at interest rates that were but a fraction of the rate of inflation. At the same time the bank dealt with a ballooning budget deficit, which reached 25 percent of GDP in 1993, by printing money and pushing the country to the brink of hyperinflation.

The enduring mementos of the Supreme Soviet’s 1991–93 industrial policy are the enormous fortunes made overnight in arbitrage between controlled domestic and world oil prices and in below-the-inflation-rate borrowing. In one of most vivid examples of the law of unintended consequences, the left’s opposition to decontrolling domestic energy prices and to fiscal and monetary austerity laid much of
the foundation for the oligarchic, robber baron capitalism that the communists so
stridently and assiduously decry today. Non-Russian robber barons have profited
as well. Journalistic investigations into the Russian operations of billionaire fugi-
tive Marc Rich, pardoned by President Clinton, revealed that Rich had bought oil
at domestic prices that were “sometimes less than 1 percent of the prevailing world
price” and exported it. Interviews with Rich’s former employees provide an insight
into technologies of postcommunist “primary accumulation.” Kept in charge by the
Supreme Soviet’s and Duma’s resistance to the privatization of natural resource
enterprises, the managers of oil and gas companies had “strong incentives to siphon
off assets and profits that theoretically belonged to the state. Traders like Rich, who
had access to foreign capital and markets, eased the process.” Such “easing” includ-
ed “unlimited expense accounts, extravagant spending and lavish coddling of the
directors of Russian client companies. Flying a client company’s director to Lon-
don with a credit card, or treating him to a new set of teeth, could sell a deal.”
The practice ended with the privatization of oil and gas companies and their sale to
private investors, beginning in 1995.

Privatization. The best compromise the proreform government could get from the
Supreme Soviet in 1992 was a privatization law, a provision of which allowed
managers and workers to buy 51 percent of the voting equity in the enterprises at
a nominal price (the so-called Option 2). In the end, three-quarters of all enter-
prises chose this option. Four years later, outsiders were majority-owners of
only one-fifth of Russian enterprises.

Insider buyouts diluted or eliminated the major benefits that were to result from
the change from state to private ownership: greater efficiency, lower cost of pro-
duction, and greater competitiveness. After managing the state-owned economy for
decades, most red directors behaved like corrupt civil servants. In the words of stu-
dents of postcommunist privatization, in Russia “the stakeholder power of man-
agers resulted in a heavy insider-dominated privatization process, thereby stalling
subsequent restructuring efforts.” In a 1995–96 survey, two-thirds of the Russian
managers sampled said that they and their workers would oppose selling a major-
ity of the shares of their enterprises to outside investors even if such outsiders
brought all the capital necessary to modernize and restructure the firm.

Thousands of privatized enterprises were engaged in “virtual” production, in
which the inputs cost more than outputs, and profits were nonexistent. The man-
agement steadily stripped assets for sale (or for use in their own truly private
firms). Workers’ salaries were often delayed to allow for the pocketing of inter-
est—or they were stolen outright. The results of the “red director” privatization
were among the key causes of slow and uneven growth; an economy badly unbal-
anced and cash starved; barter; tax and debt write-offs; and a rigid market that
discouraged the reallocation of resources and labor from less to more efficient
enterprises and industries.

Population Decrease. The decline in enterprise-based social services, particu-
larly in the company towns, appears to be a major cause of the fertility decline. Yet
even in Soviet times most children of preschool age were raised outside detskie sady, the number of which was far below what was needed. Babushkas, living with their adult children in tiny apartments, were the most common solution.

The decreasing availability of babushkas is one of many modernity-linked factors behind Russian demographic trends, no different from those in other post-communist nations. Compared with the Soviet days, signs of the economic and social upward mobility of younger, urban, and college-educated Russian women are ubiquitous: from the multiplicity of women drivers in the streets of Russian cities to women's sudden presence among top television and newspaper journalists, analysts, political commentators and columnists, campaign managers for leading national candidates, bank managers, and entrepreneurs. In 2000, women own 40 percent of Russia's 890,000 registered private businesses.105 (The corresponding number for the United States was 38 percent.)

According to a leading Russian demographer, parents in Russian families were once much younger, on average, than their Western counterparts; almost every fifth child was born to a mother younger than eighteen. Yet today, “young families postpone the birth of the first child. There has been nothing like this either in the tsarist Russia or in the USSR.”106

Typical of the generation that came of age after the fall of communism, a thirty-year-old Moscow travel agent told a reporter that she would postpone childbirth until she reached “a certain status, a certain situation in which she could afford [children].”107 Similarly, a thirty-one-year-old real estate agent intended to remain single because he could not “bear a responsibility”108 of supporting a family. Such reasoning was rarely, if ever, heard under the old regime, where absence of private initiative and opportunity inevitably had eroded personal responsibility.

Among the FSU countries, Russia's 37 percent drop in fertility was average: larger than in Moldova, Lithuania, Kazakhstan, Kyrgyzstan, Belarus, and Ukraine, but smaller than in Azerbaijan, Tajikistan, Estonia, Turkmenistan, Uzbekistan, Armenia, Georgia, and Latvia.

A Temporary Drop in Male Life Expectancy. As in all other postcommunist countries, the adjustment to the responsibilities and insecurities of modernity has been traumatic, especially for men in their fifties and sixties, most of whom found themselves in the surplus labor group and among the demographic losers. In some countries there occurred, between 1994 and 1997, a rise in male mortality from the level of the last three years before the Gorbachev liberalization, 1983–85 (see tables 5a and 5b).

Several factors might be suggested to explain the variation in life expectancy. First, residual (historical and cultural) differences help account for the divide between the northwestern nations of the former Soviet Union, where the male mortality rate rose, and most of the postcommunist countries of East Central Europe, where it decreased: healthier diets, smaller consumption of hard liquor, and somewhat better medicine. Second, the stresses of adjustment appear considerably less lethal in the countries with primarily agricultural economies, regardless of the speed and depth of reforms. Thus Moldova, Uzbekistan, Arme-

<table>
<thead>
<tr>
<th>Country</th>
<th>Change (Years)</th>
<th>Percentage Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kazakhstan</td>
<td>-3.7</td>
<td>-5.9</td>
</tr>
<tr>
<td>Ukraine</td>
<td>-3.7</td>
<td>-5.7</td>
</tr>
<tr>
<td>Russia</td>
<td>-3.0</td>
<td>-4.8</td>
</tr>
<tr>
<td>Belarus</td>
<td>-2.7</td>
<td>-4.1</td>
</tr>
<tr>
<td>Tajikistan</td>
<td>-2.2</td>
<td>-3.3</td>
</tr>
<tr>
<td>Latvia</td>
<td>-1.8</td>
<td>-2.8</td>
</tr>
<tr>
<td>Lithuania</td>
<td>-0.5</td>
<td>-0.8</td>
</tr>
<tr>
<td>Estonia</td>
<td>+0.1</td>
<td>+0.2</td>
</tr>
<tr>
<td>Moldova</td>
<td>+0.2</td>
<td>+0.3</td>
</tr>
<tr>
<td>Uzbekistan</td>
<td>+0.2</td>
<td>+0.3</td>
</tr>
<tr>
<td>Armenia</td>
<td>+0.2</td>
<td>+0.3</td>
</tr>
<tr>
<td>Turkmenistan</td>
<td>+0.3</td>
<td>+0.5</td>
</tr>
<tr>
<td>Azerbaijan</td>
<td>+0.4</td>
<td>+0.6</td>
</tr>
<tr>
<td>Georgia</td>
<td>+0.7</td>
<td>+1.0</td>
</tr>
<tr>
<td>Kyrgyzstan</td>
<td>+1.3</td>
<td>+2.1</td>
</tr>
</tbody>
</table>

Average change:  
-0.9 years or -1.5%

### TABLE 5B. Change in Life Expectancy for Males, 1983–1985 versus 1994–1997, from Lowest to Highest, Former Eastern European Communist Countries

<table>
<thead>
<tr>
<th>Country</th>
<th>Change (Years)</th>
<th>Percentage Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Romania</td>
<td>-1.4</td>
<td>-2.1</td>
</tr>
<tr>
<td>Bulgaria</td>
<td>-1.2</td>
<td>-1.8</td>
</tr>
<tr>
<td>Hungary</td>
<td>+0.1</td>
<td>+0.2</td>
</tr>
<tr>
<td>Slovakia</td>
<td>+1.4</td>
<td>+2.1</td>
</tr>
<tr>
<td>Croatia</td>
<td>+1.7</td>
<td>+2.5</td>
</tr>
<tr>
<td>Poland</td>
<td>+1.7</td>
<td>+2.6</td>
</tr>
<tr>
<td>East Germany</td>
<td>+2.3</td>
<td>+3.3</td>
</tr>
<tr>
<td>Czech Republic</td>
<td>+3.0</td>
<td>+4.4</td>
</tr>
<tr>
<td>Slovenia</td>
<td>+3.2</td>
<td>+4.7</td>
</tr>
</tbody>
</table>

Average change:  
+1.2 years or 1.8%


°The postcommunist life expectancy figures for Tajikistan and Georgia include data for 1995–2000.

nia, Turkmenistan, Azerbaijan, Georgia, and Kyrgyzstan have posted increases of 0.2–2.1 years.109

More significant, however, have been the contrasts in the postcommunist experiences: The countries that inherited a proportionately smaller surplus workforce recycled it faster, after more radical and consistent economic liberalization, and created more jobs in the private sector have been more successful in mitigating the stresses of modernity. Male life expectancy increased in Hungary and Estonia (0.1 year for both), Slovakia, Croatia, Poland, the Czech Republic, and Slovenia (3.2 years), while it shrank in Romania (−1.4 years) and Bulgaria (−1.2 years), both of which have lagged in reforms.110

A steep rise in male mortality between the pre-perestroika 1983-85 and 1994-97 occurred in the industrialized countries of the FSU with the largest share of surplus labor and demographic losers and with records of inconsistent, often slow free-market reforms and the largest proportion of ethnic Russians in the FSU: Kazakhstan (−3.7 years), Ukraine (−3.7 years), and Russia (−3 years).111 Their decrepit and backward public health systems were ill equipped to handle the novel strains and pressures, most damaging of which were job insecurity, competition, and personal responsibility for the well-being of one’s family in very traditional, patriarchic societies. There followed an upsurge in the leading killer of middle-aged males, heart disease.112

In Russia these factors were aggravated by the pernicious legacy of rampant alcoholism, unleashed by doubling the production of cheap vodka between 1958 and 1984.113 The sale of alcohol became one of the largest sources of income for the Soviet state, accounting for 14 percent of revenues.114 As Ryzhkov wrote in his memoirs, “The country was drinking itself into the ground. [People] drank everywhere. Before work. After work. In obkoms and in raykoms. At construction sites and on the shop floor.”115 Fifteen million drunks a year were arrested and placed in overnight sobering-up stations (vytrezviteli). Premature deaths caused by alcohol accounted for one-fifth of all deaths in the USSR.

Between 1964 and 1980, the male life expectancy in the USSR plunged from sixty-seven to sixty-two years.116 The life expectancy dropped further when the thoroughly poisoned generation born between 1930 and 1940 and addicted during the state-sponsored national alcoholic binge of 1960–85 began to reach their mid-fifties amid the stresses brought about by the revolutionary change, inflation, and massive job insecurity.

As figure 1 shows, male life expectancy went up sharply between 1986 and 1988, when the sale of vodka was restricted, prices were raised, and the number of alcohol-related fatalities decreased significantly, if temporarily. The years 1991–93 saw the return of vast quantities of cheap, often low-quality, alcohol. In addition, there was a surge in violent crime, especially murder, whose victims are disproportionately men. This phenomenon is common to all postauthoritarian nations in the first decade of transition from police control and residence restrictions. (Spain and Portugal experienced an explosion of violent deviance in the 1970s, as South Africa did in the mid-1990s.)

After the 1993 nadir, the male life expectancy began to recover, increased by
two years by 1998, and came within a year and seven months of the prerevolutionary 1983–85 estimate of 62.8 years. Most likely, the upward trend reflected a decrease of stress from the adjustment as well as a steadily increasing market share of alternatives to vodka: good, affordable, and available wines and beer, which for the first time surpassed vodka in the amounts consumed in 2000. A steady growth in male life expectancy is projected to result in a seventy-year life span by 2025: seven years more than the pre-Gorbachev Soviet level and five years more than the apogee reached during Gorbachev’s antialcohol campaign.

**Conclusion**

In this article I set out to test the explanatory power of a structural approach to the study of postcommunist transition. Ten structural factors have been identified and codified as independent variables: velvet revolution; simultaneity of democracy and early capitalism; “beached whale”; five “legacy” phenomena (institutional and normative void; obsolete economy and surplus; poverty; corruption; and health care); and two “modernity” factors (relative deprivation and “demographic losers”). They were then arranged into causal clusters common to most postcommunist transitions: the right-to-left political evolution, the “human face” factor, economic reform policies in general and privatization in particular, corruption, and the decline in fertility.

As far as the common outcomes are concerned, their causes appear no different

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**Figure 1. Life Expectancy for Males in Russia**

in Russia than in other postcommunist societies. At the same time, the approach highlights both quantitative and qualitative distinctions that have shaped the Russian transition: for instance, the size of the "beached whale," the absence of a moderate left, and the factors behind the sharp diminution in male life expectancy.

I hope that this exercise may encourage consistent broadening of a comparative analytical framework of postcommunist studies to include Russia. As Moore, whose work is a continuous source of inspiration, put it: "In the effort to understand the history of a specific country a comparative perspective can lead to asking very useful and sometimes new questions. . . . Comparisons can serve as a rough negative check on accepted historical explanations. And a comparative approach may lead to new historical generalizations."117 Most desirable objectives, these, where study of postcommunist Russia is concerned.

Finally, it appears from this project that political sociology holds a great deal of promise in explaining postcommunist transition. Barrington Moore called his classic treatise on the transition to modernity "Social Origins of Dictatorship and Democracy." Appropriate caveats about grasps and reaches aside, the time may have come to venture into bolder theorizing about the social construction of some of the fundamental features of postcommunism.

NOTES

3. A most welcome book-length exception is Anders Åslund’s magisterial and pioneering volume Building Capitalism (New York: Cambridge University Press, 2002), which analyzes a huge amount of data from both East-Central Europe and the former Soviet Union.
5. Ibid.
12. A. Sizov, "Sverim tsifry" (Let’s check the numbers), Kommunist 15 (October 1989): 63.
13. Åslund, Building Capitalism, 19.
33. Alova, “Luchshe ne dumat’.”
34. Zoriy Balayan, “Kogda bolezn’ obgonyaet lekarstva” (When the disease is faster than medicine), *Literaturnaya Gazeta*, 3 February 1988.
35. Ibid.
36. Mokrzycki, “A New Middle Class?” 191.
40. Ibid.
42. Ibid., 135.
For six years, between 1990 and 1996, state subsidies kept afloat its largest steel producer, Huta Katowice, SA. In 1996, the plant employed 20,300 workers. Today, the workforce today is 5,700.


Ibid., 147.


In the main, the predicament is common for other transitional economies. China spends an estimated one-third of its state budget to keep afloat loss-making plants and factories. In an effort to shrink budget deficit, this past spring Argentina cut the wages of public-sector workers by 10 percent to 15 percent. Brazil sought to reduce the costs of the salaries, benefits, and pensions of the bloated civil service apparatus by beginning, in 1999, to tax pensions and by imposing across-the-board public sector cuts.


Mason, “Increasingly Fond,” 17.


Ibid.


Of the only other two self-consciously, openly, and vehemently anticommunist leaders of the postcommunist transition, Boris Yeltsin enjoyed popularity in the single digits at the time of his resignation on 31 December 1999, and the former Polish president Lech Walesa received less than 1 percent of the vote in the October 2000 presidential election.


Ibid. As late as December 1996, the possibility of turning back the clock and “living in socialism as it was 10–15 years ago,” suggested in a national survey, appealed to 29 percent of unskilled laborers, 25 percent of skilled laborers without diplomas, and 24 percent of farmers. Jacek Kurczewski, “Poland’s Perpetually New Middle Class,” *Transitions*, March 1997, 22–25, table 1.


Ibid., 269.

Walesa, “I See the Commmies,” 81.

Erlanger, “Havel Finds.”


Ibid.
75. Zeman, "Vaclav Havel."
77. Ibid.
83. Ibid.
86. Schöpflin, “Post-Communism,” 132–33.
88. Ibid.
91. Åslund, Building Capitalism, table 9.5.
92. Yakov Urinson, "Vsoy, chto effektivno dlya ekonomiki, bolezennno dlya obschestva" (Everything that helps the economy is painful for the society), Moskovskie Novosti, 17–24 May 1998, 10.
96. Gaddy, The Price of the Past, 22–23, puts the “total employment dependent on defense-complex activities” at between 10.4 million and 12.2 million. Assuming, conservatively, that each worker had, on average, at least three family members (e.g., a spouse, a child, and at least one live-in retired parent) we arrive at between 42 and 49 million people in the population of 150 million.
98. Primakov’s number does not seem too big, however, where the industrial portion of the GDP is concerned. According to Gaddy, The Price of the Past, 15, 21, some “key processing sectors of industry,” especially nonferrous metallurgy, special steels, and chemicals, served the defense industry “almost exclusively.” In world prices, the military indus-
trial complex consumed between 62 percent and 63 percent of the output of the Soviet machine-building and metal-working industries. Given the geography of the Soviet defense establishment, Russia’s share of defense spending was almost certainly higher than the USSR average.

106. “Ne do sem’i” (Not a good time to start a family), Moskovskie Novosti, 18–24 April 2000.
107. Masha Gessen, “Pervyi raz v sredniy klass” (Into the middle class—for the first time), Itogi, 21 April 1988, 15.
108. Ibid.
110. Ibid.
111. Ibid.
112. The routine explanation for the rise in male mortality has been an alleged decrease in health care expenditures after 1991. Åslund, Building Capitalism, 321, table 8.9, demonstrates that—in line with policies of newly democratic nations everywhere—Russia’s spending on health care as a share of GDP grew from 2.9 percent in 1990–91 to 5.7 percent in 1995. (The corresponding indicator for the Soviet Union in 1985 was 2.2 percent.) A decrease in infant mortality in Russia between 1989 and 1998 (320, table 8.8) from 17.8 per 1,000 births in 1989 to 16.5 in 1998 reflected greater public health care spending.
113. Vladimir Treml’, “Gorbachev’s Anti-Drinking Campaign: A Noble Experiment or a Costly Exercise in Futility,” RL Supplement, 18 March 1987, 8.
115. Ryzhkov, Perestroika, 94.
117. Moore, Social Origins, xiii.