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1. Introduction: surviving in the uncertain post-Soviet world

Nadya, a tradeswoman from Krasnoyarsk, told me: *As far as the state goes, well, it just abandoned us like a bunch of blind kittens. Nobody cared about us not receiving our salaries... Everything we produced in the Soviet Union – it all became useless and it all disappeared in an instant. And it was so difficult, you cannot imagine...* (T5).¹ She was describing the situation of Russia in the 1990s, where millions of people, having all been suddenly dismissed from state enterprises, were forced to survive on their own. What the newborn country faced after the dissolution of the Soviet Union was in fact a huge civilizational crisis. The policy of shock therapy and attempts at developing the market economy in the country resulted in an economic collapse. State property was massively expropriated, inflation raged, and Russian began to be haunted by unemployment. But the crisis went far beyond the economy. The depression of the state led also to the collapse of social services, a dramatic decline in life expectancy, extreme lawlessness, and a rise in corruption and violent crime.

Nevertheless, as Michael Burawoy put it, “somehow Russian people have managed to sustain a day to day existence despite the cataclysm depicted in official figures” (1999: 1). This study will show how this “somehow” was achieved in practice.

Nadya, for instance, became a *chelnok* (pl. *chelnoki*), i.e. a shuttle trader, and she travelled to Poland in order to buy goods and sell them at home. She also learned how to sew fur hats, which she then sold at an open-air market. Her case may be treated as typical, since it was petty trade that allowed vast numbers of people to survive. The grave shortages of consumer goods appeared already by the end of the Soviet era. Then, in the 1990s, they only deepened as Russian industry collapsed. The workplaces of many people simply vanished, but even those who still worked could go unpaid for months or years on end, and they had to earn their living some other way. Others, in their turn, received their salaries in products made by the enterprises they worked in. They were thus forced to exchange these products or sell them. All these factors pushed masses of Russian citizens to engage in trade.

This engagement took on various forms. Some people just sold what they possessed, such as books. Others focused on reselling: along the Trans-Siberian Railway people waited for Beijing-Moscow trains, which at that time came packed with Chinese clothes. They then sold the clothes directly in the streets. There were also people who opened their own kiosks in the country and bought wares from wholesalers in local urban centers. The most popular form, however, came to be international shuttle trading. As soon as the end of 1991, people spontaneously started to go abroad in order

1 The symbols in the brackets after a name or at the end of a quote refer to particular interview partners. A list of them, which contains short descriptions of all quoted persons, can be found in Appendix 2. In order to ensure the anonymity of the people I talked to, I changed their names.

All interviews were conducted in Russian. All quotations from the interviews were translated into English either by myself (K. M. W.) or by Jakub Ozimek (see Appendix 3). All translations of Russian terms and quotations, if not indicated others in the Works Cited section, were done by me (K. M. W.).

to obtain goods and sell them at home. Poland, Turkey, and China were their most popular destinations, and – since they came from literally every Russian region – in order to get abroad, they travelled sometimes thousands of kilometers, mainly by means of buses, trains and ships. In the first years of the systemic changes, there were neither professional cargo companies nor a system of deliveries, so everything that *chelnoki* acquired, they basically had to carry themselves. Then they traded their goods at open-air markets. In the mid-1990s, according to various estimates, there were from 18 up to even 30 million people engaged in international shuttle trade (cf. Kapralova and Karaseva 2005: 402; Mel'nichenko 1997: online). The numbers were thus colossal, as was the quantity of goods they imported into Russia.

Since the 1990s, petty trade in Russia has undergone a significant evolution. The *chelnoki* era may be regarded to have ended with the financial default of August 1998. It was then that the ruble lost its value in relation to the dollar by several times. Everyone who had any financial obligations in foreign currencies went bankrupt immediately. That included banks as well as individual traders who made their dealings with foreign partners almost entirely in dollars. Granted, there were some shuttle traders who managed to survive in spite of all the difficulties. There were also people who started their businesses after the crisis. All in all, however, the quantity of people involved in trade decreased substantially. In addition, the phenomenon remained international only in the borderlands whereas most of the traders were based. If traders go somewhere to get the goods, they would go to Russian urban centers. One no longer has to go abroad in order to get supplies. Nevertheless, hundreds of thousands of people throughout Russia still rely on petty commerce to provide for themselves and their families.

In general, petty traders can be counted among the masses of people in the whole post-Soviet region who became dispossessed as a consequence of the systemic transformation.² They were deprived of their property, jobs and ascribed places in society. The dispossessed constitute a broad category insofar as they comprise such different groups as homeless people, economic migrants, or abandoned pensioners. However, what unites all of them is that they lost the material and social status they enjoyed in the socialist past. The feeling of loss and of being poor (*bednye*) is to a considerable extent subjective and is strengthened by the comparison to those who managed to take advantage of the changes (Humphrey 2002b: 21ff.; Nazpary 2002: 13–16).

2 It was a matter of vehement discussions whether the changes in Central and Eastern Europe (CEE) should be called a *transition* or *transformation*. Personally, I find it much better to speak of postsocialist or systemic *transformations* than of *transitions* to capitalism or to a market economy in CEE. As has been argued, *transition* implies a colonialist teleological assumption of Western-style capitalism as the final arrival point of the changes. Such an approach raises a question: from what kind of socialism does one depart and to what kind of capitalism should one arrive? For just as there were various socialisms, there is no universal capitalism either (cf. Bryant and Mokrzycki 1994: 2–4; Hann and Hart 2011: 136). Furthermore, I would like to avoid the trap of what Michał Buchowski called *transitology*, a neoliberal and highly ideological discourse that created *new others* of the transitions. These *others* were groups that were not able to follow the rules of the radically changed social reality and therefore were blamed for being *lazy* and *civilizationally incompetent* (Buchowski 2001: 14–17).

The vendors – just as the whole category of the dispossessed – originated from different social classes. People of all walks of life were involved in trade at open-air markets in the 1990s, ranging from pensioners, members of ethnic minorities, or Russian refugees from the former Soviet republics to university professors. Overall, however, it was former industrial workers and the so-called working intelligentsia who engaged into trade in order to survive. Furthermore, as it has been argued, one has to use ideas concerning classes and social stratification in postsocialist countries cautiously (Buchowski 2001: 141–143; Il'in 2000: 86–87; Il'in 2008). Even if petty traders in contemporary Russia were to be seen as forming a distinct social class, it would encompass several subclasses, delineated along the lines of entrepreneurs versus sellers, local tradespeople versus labor immigrants, stallholders versus employees and self-employed persons, etc. However, in a neoliberal regime “the new precarious poverty grows in an atmosphere of silence” (Beck and Beck-Gernsheim 2002: 52). Unlike in previous periods, the fact of being poor does not carry any budding dignity. On the contrary, it is perceived as one’s personal failure and a sign of helplessness. Thus, in modern societies, poverty has lost its class-distinguishing potential and instead rather supports social atomization.

A few external factors seem to be shaping the actual state of petty trade in Russia at the moment. The main challenge for the people engaged in the so-called street economy (Ivleva 2010) – i.e. those who work at open-air markets, in street kiosks, or trade informally in the streets – is the competition posed by big shopping centers and rapidly developing supermarket chains. The costs of economic crises are also suffered by the vendors: the prices of goods have gone up and at the same time the people have less money to spend. Last but not least, Russian cities are destinations of migrant workers (*trudovye migranty*) from the former Soviet republics (cf. Ivleva 2009). A large inflow of Chinese people can also be observed. Entire branches of trade and professions have become monopolized by members of a single nation, to such an extent that in some remaining markets it is the Russians³ who constitute the minority. This inflow creates a great deal of tension between the newcomers and the local population in general, and poses a harsh competition for local traders in particular.

There is, however, one more factor which is absolutely decisive for the situation of petty trade in contemporary Russia. This factor is of a legislative nature, and as it is entangled in many other problems it requires a separate discussion.

3 I use the term *Russians* (*russkiye*) in a general meaning, in accordance with how it is popularly understood, that is, as a kind of label denoting not only ethnic Russians, as the term is lexicographically defined, but all of the Slavic or even white population of Russia. An additional feature of Siberia is that its inhabitants are usually of very mixed descent, combining Russian, Ukrainian, German, Polish, Jewish, and other ancestors so that – as they say – pure Russians do not exist there. Furthermore, one should note that there are basically no indigenous people in Krasnoyarsk anymore, so to a great extent the term *Russians* corresponds to the population of the city. Nevertheless, due to labor immigration and the general multinational character of the Russian Federation I prefer to use the term *Russian citizens* or *citizens of Russia* (*rossiyane*), for it describes all inhabitants of Russia regardless of their ethnicity.