The Ambivalence of Favour: Paradoxes of Russia’s Economy of Favours.¹

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Introduction: In the beginning was ... blat!

My ‘discovery’ of economies of favours began with a study of blat – the use of personal networks for getting things done in Soviet Russia (Ledeneva 1998). I used the term ‘economy’ in Polanyi’s sense, to point out the embeddedness of blat in society. The ‘economy of favours’ referred not only to the circulation of favours – favours of access to the centrally distributed goods, services and privileges – but also to the sociability of blat channels, routinely established by friends for tackling shortages and problems. The sociability of blat turned favours into an alternative currency of ‘mutual help and understanding’ needed for the functioning of non-market economy and embodied frustration with the non-consumerist ideology and political constraints of the centralised planning and distribution. On the individual level, favours delivered by friends, acquaintances and friends of friends granted solutions to small time problems. On a societal level, they represented a way out for the Soviet system that struggled to adhere to its own proclaimed principles. A discreet re-distribution of resources within social networks – an implicit social contract, known as the ‘little deal’ – became part of the solution (Millar 1985).²

A Russian phrase ‘nel’zya, no mozhno’ (prohibited, but possible) offered a summary understanding of the Soviet society with its all-embracing restrictions and the labyrinth of possibilities around them (the shops are empty but fridges are full). Blat was an open secret for insiders, but a puzzle for outsiders unequipped for handling the ‘doublethink’ associated with blat. It was not that a formal ‘no’ necessarily turned into ‘yes’ after pulling some blat strings. The formula no+blat=yes is misleading, for it emphasizes the importance of blat but downplays the importance of constraints. In the Soviet times, even outsiders could make useful friends and mobilise them and their networks to get things done. Yet there was always a limit to what friends could do. Sometimes blat worked and sometimes it didn’t. Thus, its formula should grasp both ends of the paradox:

blat=no (shops are empty)

AND [IF POSSIBLE, insert { ON THE LEFT OF THE TWO EQUATIONS]

blat=yes (fridges are full)

No coherent rules about blat economy of favours, which were predominantly associated with access to goods and services in short supply, could be deduced: it was both the formally

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² The ambivalence of this contract was essential for its functioning, for it could easily be withdrawn at any point on selective basis by the authorities. People who individually withdrew from it and lived ‘by the book’ were ostracised. The logic of the system was to make everyone violate the rules, and thus to become vulnerable. A similar logic can be applied to the workings of the centralised planning and its dependence on the industrial progress pushers, tolkachi (Berliner 1957).
prescribed ‘no’ and the informally pushed ‘yes’ that constituted an ambivalent outcome, somewhat dependant on the size and potential of the networks, while also being constraint-driven, context-bound, uncertain and irregular.

Moreover, under conditions of shortage, a positive outcome for one was preconditioned by negative outcomes for the others. While the state monopoly of centralised distribution created shortages, the monopolisation of blat re-distribution by each particular gatekeeper perpetuated these shortages further. The constraints of socialism drove people to outwit the centralised distribution system. At the same time the harshness of these constraints made it impossible for the regime to fully enforce the existing regulations, which created opportunities for brokers to circumvent them. ‘Pushers’ of constraints (tolkachi and blatmeisters) created value for themselves and their networks at the expense of less-opportunistic players. Thus, functionally, blat softened the constraints of the Soviet system for some but was dependent on the continuing existence of constraints for others. Working with constraints to unleash their enabling power became the preoccupation of experienced brokers, who often functioned for the sake of the Soviet system but contrary to the system’s own rules. Thus blat functioned in an ambivalent – both productive and non-productive – way.

Obtaining goods and services through blat channels provided just one example of the many informal practices that made the Soviet regime more tolerable and, at the same time, helped to undermine its political, economic and social foundations. In his Economics of Shortage, Janos Kornai theorizes principles of rationing, or the non-price criteria of allocation, and forms of allocation of resources (Kornai 1979). Each of these can be associated with an informal practice, serving specific needs at various stages in socialist development. For example, queuing is associated with practices of absenteeism from a workplace (no unemployment, but nobody works), that in late socialism served people’s consumption, but also served to alleviate the hardship of queuing and to reduce criticism towards the regime, incapable of tackling shortages. Because absenteeism had utility for late socialism and could not be ruled out completely, it was prosecuted by authorities in selective campaigns, often to signal that the practice went out of proportion or to punish regional and local officials, on whose territories the raids for absentees in the shops’ queues were made. Selective enforcement, or under-enforcement, became the reverse side of over-regulation.

The theme of ambivalence became similarly central for the post-communist transition. I argue against the stigmatisation of practices that replaced blat during Russia’s dramatic break-up with its communist past. Contrary to the assumption that informal practices had to disappear once the oppressive system collapsed, I identified new practices that emerged and functioned ambivalently in order to serve the transition: they both supported and subverted the post-Soviet political, judicial and economic institutions. Newly established in the 1990s democratic and market institutions, including competitive elections, free media, independent judiciary, and private property rights, became enveloped in informal practices that both facilitated their development and undermined it. Practices associated with manipulation of electoral campaigns (black public relations or piar), misuse of information and compromising materials (kompromat), use of informal control and leverage (krugovaya poruka) in the formally independent judiciary, circumventing market-induced economic constraints with
barter schemes, non-transparent ownership and creative accounting were the most widespread in that period (Ledeneva 2006).

My initial theorization of blat has also helped in the subsequent exploration of the network-based system of informal governance – sistema – under Putin. In periods of stability, the ambivalent workings of blat networks at the grassroots are indeed similar to those of power networks in sistema, but one important distinction has to be emphasised. If the blat ‘economy of favours’ had to some extent an equalising effect on the chances of accessing resources for networked individuals and thus reduced the privilege gap between insiders and outsiders of the centralised distribution system, the trickle-down effect of the present-day ‘economy of kickbacks’ seems to be reverse: it undermines competition, excludes the outsiders, and rewards insiders through network-based allocation and mobilisation. If blat networks tended to operate on the basis of obligation perceived as ‘mutual help’, power networks tend to operate on the basis of a hierarchical, patron–client logic, associated with practices of ‘feeding’ (kormlenie) aimed to enhance the power of the ruler and leave his subordinates under his ‘manual control’ (Ledeneva 2013b). This difference also stems from the political and economic frameworks in which networks operate. As the Soviet system was not economically viable due to its centralisation, rigid ideological constraints, shortages and the limited role of money, blat networks had some equalising, ‘weapon of the weak,’ role in the oppressive conditions, and to some extent served the economic needs of the central distribution system. In Putin’s Russia, power networks operate without those constraints and extract multiple benefits from the post-Soviet reforms, while undermining the key principles of market competition (equality of economic subjects and security of property rights) and the key principle of the rule of law (equality before the law). They are, in effect, the ‘weapon of the strong.’ What it lacks in democratic graces, the sistema appears to compensate with the effectiveness of its informal incentives, control and capital flows operated by power networks and their impressive capacity to mobilise. Reliance on networks enables leaders to mobilise and to control, yet they also lock politicians, bureaucrats and businessmen into informal deals, mediated interests and personalised loyalties. This is the ‘modernisation trap of informality’: one cannot use the potential of informal networks without triggering their negative long-term consequences for institutional development (Ledeneva 2013a). The similarity of functional ambivalence of both blat and power networks points to an important dimension of modernisation: in order to modernise, one should not only change the formal rules, but also modernise networks and people’s attitudes to favours of access for ‘svoi’ at all levels. Networks through which favours are channelled, and their functional ambivalence, are central for the understanding of economies of favours and should be viewed in specific contexts. For the purpose of creating a typology of favours and generalising about ambivalence, I chose the specific case of the Soviet ‘economy of favours,’ characterised by ‘favours of access,’ given and received by blat.

**Typology of favours**

In its sociological sense, ambivalence, in the definition of Robert Merton (1976), refers to incompatible normative expectations of attitudes, beliefs, and behaviour. The incompatibility is assigned to a status and the social structures that generate the circumstances in which ambivalence is embedded (1976: 6-7). Merton’s analysis of sociological ambivalence stems from Peterim Sorokin’s statement that actual social relations are *predominantly* of one type or
another, rather than comprising pure types, and points out that “it is precisely the matter of not confining our attention to the dominant attributes of a role or social relation that directs us to the function and structure of sociological ambivalence” (Merton 1976: 16). The core type of sociological ambivalence puts contradictory demands upon the occupants of a status in a particular social relation. Since these norms cannot be simultaneously expressed in behaviour, they come to be expressed in an oscillation of behaviours: of detachment and compassion, of discipline and permissiveness, of personal and impersonal treatment” (Merton 1976: 8).

Merton gives examples of professions, such as doctors, managers or academics, characterised by the oscillating occurrence of compassion, permissiveness and preferential treatment, on the one hand, and of detachment, discipline and impersonal treatment, on the other. Merton’s principles of ambivalence, operationalized as clashing attitudes or oscillating behaviour, in my view, are essential for the understanding of favours given and received under pressure of oppressive regimes.

As depicted in the Oxford English dictionary, for an action to be a favour, it should deviate from a norm (‘beyond what is due or usual’) and from a rigid obligation to give, to receive and, most importantly, to reciprocate. For a giver, the ambivalence of favour lies in doing something deviating from ‘normal’ while also sustaining the norm – making an exception that only proves the rule. For a receiver, accepting a favour implies neither an obligation to return it, nor its oblivion. Rather, the motion is left ambivalent, until a further context provides an incentive to extract the memory of a ‘good turn’ from a limbo and to consider another. Moreover, the ambivalence about the meaning, value and obligation to return favours, when shared by parties, can be complicated further when the meaning, value and function of favours are disagreed upon by parties (the giver vs. the receiver), and especially when the normative perceptions of a favour shared by participants (the giver and the receiver) are different from those of observers.

Switching between a participant’s and an observer’s positions, conceptualised as the blat ‘misrecognition game,’ enables one to develop an ambivalent attitude to blat, so it is generally despised but also ubiquitously practiced. In other words, the blat ‘misrecognition game’ is not only about misrecognising the ‘reality’ of the use of friendship, parallel to Bourdieu’s logic of misrecognition of the reciprocation of gift. It is also about the game of psychological ‘hide and seek’ – a domain of Orwell’s ‘doublethink’ and a case of ‘misrecognised’ double standards – switching sets of norms depending on whether one was inside or outside of a favour: accepted when received by oneself, yet resented when received by others. Such elusiveness of blat made it pervasive, yet difficult for data collection.

Data on favours are context-bound, there is no final interpretation of favour, rather there is a range of interpretations dependent on the teller and the timing of telling: whether one is a giver or receiver, participant or observer, whether a favour has been given/reciprocated, whether the relationship between parties has existed before and continued afterwards. In other words, the relationship (with its constraints and opportunities) has to be brought into consideration. But if one has to abstract the most important characteristic of
favour, I would argue, it is the ambivalence: eluding while also alluding to the features of free gift and self-serving exchange, of network-driven endowment and self-generated investment.3

I differentiate between types of ambivalence associated with level of analysis and data collection: favours (what they are), favours of access (what they do) and economies of favour (how they are justified). Firstly, the substantive ambivalence of favours is determined by the impossibility to define the predominant type of favour, resulting from the uncertainty of its meaning, value and obligation that it creates. Secondly, there is the functional ambivalence, whereby certain types of favours, favours of access, originate in contradictory structural constraints, operate in discretionary areas, and play a contradictory role – subversive but also supportive – in circumventing but also supporting the formal and informal constraints that frame them. Thirdly, there is normative ambivalence towards economies of favours, whereby both individuals and governments rely on economies of favours, but also deny their engagement, criticize economies of favours but also turn a blind eye to them where convenient. Commonly known as double standards, such normative ambivalence enables seamless crossing of boundaries, which are themselves drawn in a circumstantial way.

For the purpose of accommodating such complexity and context-bound nature of favours, I define favour as an ambivalent action that involves sharing or re-distribution of material or nonmaterial resources driven by material or nonmaterial incentives, associated with maintaining, or extending, social relations. I integrate social relations – ideal types of networks – into the typology of favours, which is depicted on Figure 1, and aim at reflecting layers, levels and angles of ambivalence.

The ideal types of favours, pictured towards the margins of the diagram, are determined by whether a favour is provided from personally shared/private or re-distributed/public resources, and by the type of incentives that the parties claim or are perceived to have. They are the ideal types (yet also raising issues of objectivity and subjectivity in drawing the boundaries) and therefore appear outside the circle of ambivalence, pictured towards the centre of the diagram.

The circle contains intermittently displayed features of favours, inseparable from social relationships/ types of networks. It is the latter that determines the predominant type of favour, yet there is also room for ambivalence in its features, oscillating between free gift and self-interested exchange, between a transfer in the form of endowment and a transaction in the form of self-driven investment. The ‘twirl’ of substantive ambivalence of favour is indicated by the circular arrow in the centre of the diagram.

The borderlines between four quarters of the circle, depicting ideal types of networks, appear as a blurred line indicating that networks do not have clear boundaries or prescribed

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3 Youth is often given favours because they belong to a certain family, clan, circle, network etc. as illustrated in the example of Mongolian school graduate seeking to enter university (Humphrey ibid: 29). Humphrey also points out that favours can create kinship or friendship in certain conditions (ibid: 34), and thus can be seen as an investment into a network.
modes of functioning (more on functional ambivalence in Figure 2) and that favours rely on the ambivalent norms and boundaries (more on normative ambivalence in Box 2).

*Figure 1. Typology of favours, given and received.*

If we look at any economy of favours through the lens of this typology of favours, we can envisage it as a circulation of favours, a system, made up, in real time, of unreciprocated favours, given and received in different directions, inseparable from social networks, and often mediated by kin, friends, acquaintances or brokers. No one is motivated by clearly defined incentives, and no favour is rigidly determined by the type of network, incentive or resource – the fluidity is an essential characteristic of the economy of favours that enables them to operate smoothly and dodge regulation.

In the discourse of modernity, ambivalence is associated with fragmentation and failure of manageability. Zygmunt Bauman defines ambivalence as the possibility of assigning an object or an event to more than one category and views it as a language-specific disorder. The main symptom of disorder is the acute discomfort we feel when we are unable to read the situation properly and to choose between alternative actions (Bauman 1991: 1, 12). Bauman lists ambivalence among “the tropes of the ‘other’ of order: ambiguity, uncertainty, unpredictability, illogicality, irrationality, ambivalence, brought about by modernity with its desire to organise and to design” (Bauman 1991: 7). Ambivalence thus implies a form of disorder and negativity. In my view, ambivalence can be singled out from the Bauman’s list for its bi-polarity, oscillating duality (both order and disorder; both positivity and negativity), and relative clarity of the polar positions. It is a social counterpart of emotional ambivalence in psychology (love-hate) or materials with ambivalent qualities in physics (semiconductors). In other words, it is a situation of co-existing thesis and anti-thesis, without certainty of their synthesis, yet without uncertainty as to what co-existing views, attitudes and beliefs are. The latter qualification would not apply to ambivalence in psychoanalysis, where is often associated with ambiguity. For the purposes of the following discussion of substantive, functional and normative ambivalence of favours, I distinguish the concept of ambivalence from ambiguity in the following ways:

- Ambivalence is bi-polar, not multi-polar as is the case with ambiguity.
- The poles (thesis and anti-thesis) are clearly defined.
- There is little uncertainty as to what co-existing views, attitudes and beliefs are. The uncertainty is created by the unpredictability of their actualisation.
- The incompatibility of constituents of the ambivalence is different from duplicity, from the deliberate deceptiveness in behaviour or speech, or from double-dealing.
- When moulded by the clashing constraints, ambivalence can result in doublethink ability (the illogical logic), dual functionality (functionality of the dysfunctional) and double standards (for us and for them).
- The ambivalence is best understood through the paradoxes it produces, such as the role of hackers in advancing cybersecurity, for example, and can be identified by looking into the open secrets of societies (Ledeneva 2011a, 2011b).

Let us consider the angles of ambivalence in more detail for the case of the Soviet economy of favours.

*Substantive ambivalence of favours: ‘no synthesis’*
In this paper, substantive ambivalence is defined by the impossibility of synthesis and the possibility of doublethink. The logic of substantive ambivalence presumes that, contrary to the one of synthesis, thesis and anti-thesis cannot be reconciled. Instead, they co-exist in a ‘doublethink’ fashion, whereby both are relevant, and in this sense no longer constitute ‘either-or’ oppositions. In his classic novel 1984, Orwell defines doublethink as the power of holding two contradictory beliefs in one’s mind simultaneously:

The Party intellectual knows in which direction his memories must be altered; he therefore knows that he is playing tricks with reality; but by the exercise of doublethink he also satisfies himself that reality is not violated. . . . [T]he essential act of the Party is to use conscious deception while retaining the firmness of purpose that goes with complete honesty. . . . To tell deliberate lies while genuinely believing in them . . . all this is indispensably necessary (quoted in Levada 2001: 17).

For a long time, ambivalence was treated as little more than a measurement error, but in recent years, scholars have been taking our grey areas more seriously (Leslie 2013). Frenk van Harreveld, of the University of Amsterdam’s Uncertainty Lab, found that the students in the ambivalent condition were deeply uncomfortable about settling on a view, and that this discomfort only increased once they had committed. They literally sweated over their decision. Van Harreveld explained that, for the ambivalent person, committing to a position, even though the decision has no consequence, is inevitably painful: “If you believe two things at once and you’re forced to give one up, then you will experience a sense of loss” (Leslie 2013). Similarly, it is not unthinkable that not committing to a position of integrity can be associated with certain advantages.

The idea of substantive ambivalence has been explored by social anthropologists, although not explicitly stated in these terms. Caroline Humphrey effectively argues for the ambivalence of favour, when stating that a ‘given action can be both a transaction and a favour’ (Humphrey 2012, 33). Laidlaw, following Derrida, illustrates the inherent paradox of a gift, and questions the definition of gift as necessarily reciprocal and non-alienated. Like the pure commodity, the pure gift is characterized by the fact that it does not create personal connections and obligations between the parties (Laidlaw 2000).4 “So some transactions both are and are not free gifts, and the idea of the gift is, as Derrida has shown, anyway unstable and paradoxical, can be made to work in two quite contrary ways at once” (Derrida, quoted in Laidlaw 2000). As Florence Weber rightly observes, “some see in the maussian gift the very essence of the gift, namely its extreme ambivalence, whereas others only view it as source of confusion between simple transfers and transactions (Testart 2007); some consider the maussian gift to be a paradigm (Caillé 2000), whereas others interpret it as merely one of the forms of nonmarket services” (Weber 2012: 3). In The Gift, according to Weber, Marcel Mauss has described the entire series of nonmarket services in all their diversity, without

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4 Gregory claims that reciprocal dependence is inherent in gift, thus creating its ‘inalienability’, as opposed to reciprocal independence and ‘alienability’ of commodity (Gregory 1982). To confront the Gregory conceptualisation of gift vs. commodity, Laidlaw analyses the traditional practice of gocari, householders seek to maximize their gift out of devotion, and the desire to perform a good karma, and so gain merit. For renouncers, the priority is to avoid anything that compromises their autonomy. These apparently conflicting purposes are mutually reinforcing (Laidlaw 1995: 314-23).
however always clearly drawing the borders between phenomena still to be established in ethnographic terms (Ibid.). It is the ambivalence of such borders for the case of the favour that I aim at reflecting in my typology of favours. On the one hand, this typology fits well with the recent advancement made in the ethnography of nonmarket transactions (Humphrey 2012; Sneath 2006; Testart 2007; Zelizer 2005; Weber 2000, 2012) that lead one to distinguish clearly the two forms of services: transaction and transfer, as represented by left and right hemispheres (see Figure 1). On the other hand, it emphasises the ambivalence of favour that can be considered as free from exchange in every particular instance, but also carrying potential for reciprocation; as a transfer, but also a transaction.

Due to their substantive ambivalence, the Soviet favours of access are hard to locate on a Sahlín’s ‘continuum’, or a ‘spectrum’ of reciprocities, “ranging from pure gift … to barter and theft which are each an attempt to get something for nothing with impunity” (Sahlín 1972:195). In certain circumstances favours of access resemble a pure gift, in others – a gift, characterised by reciprocal dependence, which engenders regard for and trust in the other over the long-term. Moreover, favours can be asymmetrical as an endowment or investment (a mother looks after her daughter’s child or lends jewellery to wear; neighbour A walks B’s dog together with one’s own) as well as symmetrical as in tit-for-tat barter or commodity exchange (A walks neighbour B’s dog, while B looks after A’s flat during business trips). But even if we were able to establish the nature of reciprocity, or the lack of thereof, in a favour, we would miss its raison d’etre: a favour is meant to remain ambivalent, displaying features of a free gift, endowment, investment or self-interested exchange (as outlined in Figure 1), and often in a contradictory and mutually exclusive way. Articulation or reflection may distort the practice.

Let us consider an example. A neighbour shares cooked food with her neighbour, an elderly actress, who lives by herself, beyond her means, only occasionally being visited by relatives and not receiving enough support from them. The neighbour’s help is selfless, she admires the former celebrity, she does not feel obliged to help in any way and does not expect any return, yet she is also resentful towards the actress’s son and relatives, not picking up the cost of a permanent carer, whose functions she effectively performs. Her favours are ambivalent in the sense in which a free gift and endowment (among us) and self-interested exchange and investment (among them) are representative of the fluid nature of contexts emerging in their neighbourly relationship. In majority of them, a caring neighbour of the actress uses her own resources for providing favours. Had the women were related, we could have not considered the described actions as favours. As Humphrey points out in her Mongolian case, favours are different from Sneath’s case of family help – the so-called enactment – as they are not the manifestation of obligation and do not consist of the enactment of previously established relationships (Sneath 2006). Among family and friends, favours are not necessarily exchanges. Their moral value is derived from not being reciprocated. The reciprocal considerations, however, can emerge when the relationship is

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5 RTR-Planeta, A show on the loneliness of the elderly, with Tatiana Samoilova, a Soviet movie star, Oscar for Letyat Zhuravli, who called in to say that she only has 100 roubles in her pocket.
broken (Boltanski 1990).6 The personal context and societal constraints construe the subjective and objective parameters of favours.

In the Soviet economy of favours, favours often involved re-distribution of public (or non-personal) resources for providing personalised help, which placed such actions on the borderline with practices of embezzlement, pilfering and routine misuse of resources. Yet the societal constraints, specifically the illegitimacy of the private property, legitimated the use of the public property. Blat favours were commonly aimed at obtaining food, goods and services to which people were entitled. It made such favours easier to receive, especially that they were associated with non-monetary incentives. Moreover, the sense of entitlement provided legitimacy to those involved in giving, receiving or exchanging favours. Those who did not or could not become involved, however, emphasized the inequality and unfairness of blat.

For participants, favours of access merged with patterns of care and sociability to such an extent that people were often unable to distinguish, for example, friendship from the use of friendship. Such dual nature of blat was preconditioned by subjective and objective, informal and formal constraints. The informal code of friendship in socialist societies (to give away your last shirt to a friend) made the boundaries between relationship and the use of relationship blurred. The formal constraints of socialism – where the public and private property balance was distorted, the money did not function fully and the alternative currencies of exchange created symbiotic relationship with the economy of shortage – allowed favours of access to be exchanged at the expense of the public resources and served to compensate for the deficiencies of the centralised system of distribution.

6 Luc Boltanski (1990) distinguishes between regimes l’amour (with reciprocity defined by an affectionate relationship) and la justice (reciprocity as defined within the broken relationship, in divorce). When discussing reciprocity of the exchange of favours I follow his logic and introduce regime of affection, regime of equivalence, and regime of status (Ledeneva 1998: 144-155).
surrounding the material aspects of much late-Soviet life surely had an impact on the giving and receiving of favours, and their perception.

As it has been mentioned in the introduction, the issues of blurred boundaries and clashing constraints are not exclusive to socialism or post-socialism (see, for example, Jeremy Morris (2013) and Sabina Stan’s discussion of ‘neither commodities nor gifts’ in the context of post-socialist informal exchanges in the Romanian healthcare system (2012)). In a wider sense, such issues can be reframed in terms of the emergence of an anonymous individual, operational in market systems, or in terms of transformation from limited access to open access societies that implies certain hurdles of law enforcement and limitations for the elites to be overcome (North, Wallis and Weingast 2006). In a narrower sense, in order to understand the contexts conducive to economies of favours, one should find oneself in a situation, where due to its formal and informal constraints, it is impossible to be a good brother and a good bureaucrat simultaneously, or where it is possible for a favour to have contradictory outcomes (good for one, bad for another; good in a short term, bad in a long term; to alleviate but also to aggravate shortages). In what follows, I argue that the key to the understanding of functional ambivalence lies in the ambivalence of social networks, which operate differently under different constraints and certainly play a central role in mastering mutually exclusive constraints.

**Functional ambivalence of networks: functionality of the dysfunctional**

Clashing constraints can transform the logic of opposition. The analytical constructs, such as gift and commodity, the public and the private, material and non-material incentives, fit well with ideal types but they have to be superseded in order to grasp the relationship of functional ambivalence. Economies of favours are particularly elusive and difficult to categorise due to the fact that social relationships infer their instrumental use, non-material incentives are intertwined with material ones, and the boundaries between the public and the private resources are blurred, probably more so in some societies than others. On the one hand, in many societies kinship ties may entitle you to a yearly supply of potatoes, free baby-care, child-raising by babushki, as well as automatic help with all key life choices, such as education, jobs, medical care and other types of endowments, through what David Sneath calls an ‘enactment’ of social relations (2006). Such social norms, as Caroline Humphrey rightly observed, would rule out such transfers of resources, from the domain of favours (Humphrey Ibid). On the other hand, in societies with much clearer divide between personal and collective, between the private and the public, even a little investment of personal time, inclusion into a personal network, or sharing expertise that seem non-material and non-public, can be viewed as a favour and can become associated with favouritism, ‘self-interested,’ and not fully private actions, especially where provided by people in positions of power and/or at the expense of other recipients. Just as an occasional unreciprocated favour may one day become reciprocated (in a long cycle of reciprocity, one can repay the favour received from an older colleague by giving it to a younger colleague; those who have been on the receiving end of kindness of strangers are themselves more likely to show kindness) or, indeed, develop into a regular exchange of favours, under certain conditions, favours can be routinely channelled by social networks and develop into an ‘economy of favours.’ I argue
that constraints associated with central planning, shortages and rationing produce an ‘economy of favours’ that is essential for the functioning of political, economic and social systems, and thus is much more intense in scale and functionality.

Some pointers to such conditions are hidden in a popular proverb “do not have hundred roubles, have hundred friends.” It is meant to emphasize the non-material (moral and emotional) importance of relationships, but also has developed connotations of the getting access to goods and services in short supply. In the planned economy money has played a limited role because of the underdeveloped markets, which placed additional emphasis on the non-market transactions. Similarly, in developed market economies favours are both relationship-based and instrumental for circumventing the existing constraints (Sandel 2012; Larson-Walker 2013), yet the nature of constraints makes a difference. Whether driven by scarcity or surplus, there are pockets of society where friends, friends of friends and other gatekeepers capable of sharing access are all-important, and where favours of access are routinely provided and channelled by social networks. It can be envisaged as a social network of gatekeepers, who either open their gates of access when needed by those they care about, or use their own time and resources for sociability, thus also creating or maintaining their social networks. The hidden part of such sociability is its potential to generate a return, to create incentives for keeping the gates shut unless there is a prospect of a return, and to generate divisions into ‘us’ and ‘them,’ thus entailing exclusion and unfairness.7

When gatekeeping is associated with a position in official hierarchy (with access to public resources), granting a favour is not defined by personal choice. It is shaped by the dual pressure on a bureaucrat: on the one hand, formal responsibility to perform certain duties and follow rules according to organisational or professional code, delegated by the principal, and on the other hand, informal responsibility for personal networks, friends, family, and the peer pressure of the social circle. A cross-country variation in the combinations of formal and informal constraints is substantial. There are societies where it is possible to be a good bureaucrat and a good brother at the same time, but there are societies where it is not possible and one has to navigate around both sets of constraints in order to keep both the job and the network. Economies of favours tend to develop in circumstances of conflicting formal and informal constraints, so that social networks not only become instrumental for individuals but also assist the workings of institutions.

Box 2. The blurred boundaries between economies of favours and corrupt societies
The resemblance of blat favours aimed at circumventing formal rules and procedures – manipulating access to resources through direct purchase as in bribery or diverting of public resources for personal gain – makes them a member of a wider family of informal practices and complicates the matter of drawing the boundaries between favours and corrupt exchanges (Ledeneva 1998: 39-59). It also raises the question whether blat was in fact a dysfunctional corrupt practice. This may be the case in certain contexts but it is also misleading, for neither blat nor corruption have a clear or single meaning, nor are these terms independent of normative, context-free judgement (Ledeneva 2009b). According to Lampert (1984: 371), cases of corruption have a ranking specific to the society. The Soviets clearly felt that bribery was a worse form of corruption than a small scale use of public

7 Favours of access is a concept relevant for regimes with state centralised distribution systems but it may become relevant in other types of regimes where the state plays a central role in the bailout of private financial institutions (the 2008 financial crisis in Russia has certainly put businesses in a queue for a bailout). In fully-fledged markets, as portrayed by Jeremy Rifkin (2000), the institution of ownership gradually transforms into the life-long access to services, so one can envisage the relevance of economies of favours for access to nearly every aspect of human life.
resources for private ends (such as using workers to do private jobs in enterprise time). Cultural connotations of money as ‘dirty’ made non-monetary transactions fairly legitimate (Humphrey, 2000). This was in tune with the distinction drawn between various forms of offence in the Criminal Code and the different penalties for engaging in them (Heinzen 2007). Blat was not on the criminal scale at all and could not strictly speaking be characterized as illegal (by reason of its small scale or recognized necessity (võitu v položenie), thus falling in the category of ‘good’ or ‘ambiguous’ corruption (see also Krastev 2004). The oppressive nature of the communist regime, and its centralized way of distribution of goods and privileges, introduces another twist in interpretation of the nature of blat practices: if blat corrupted the corrupt regime, can we refer to it as corruption? With these considerations in mind, to equate blat and corruption in Soviet conditions is to misunderstand the nature of Soviet socialism.

It is tempting to argue that blat subverted the Soviet system, and thus should be held responsible for undermining its principles and foundations leading to the ultimate collapse of the Soviet Union. Yet blat also served the needs of socialist system, and thus supported its existence, operating contrary to the system’s own acclaimed principles. Such functionality of the dysfunctional applies, for example, to the role of hackers in advancing cybersecurity (Ledeneva 2000; Assange et al. 2012) Apart from the ambivalent relationship (subversive/supportive) with the Soviet institutions, blat produced a similar bearing on personal relationships – people were forced to use their personal networks instrumentally and that instrumentality helped to sustain those networks. The functionality of networks might be interesting to explore as they help identify universal features of economies of favours, if understood as the use of social networks for getting things done.

Social networks are intrinsically ambivalent in their functions: it is impossible to decide whether they serve or undermine the functioning of structures and individuals, unless in a very narrow context. They do both, simultaneously, and can do one only together with the other. My ideal types of functions below, based on analytical distinctions of strong and weak ties, and private and public contexts, in which networks operate, serve to frame the fluid, blurry and fundamentally ambivalent functionality of networks. Networks can produce a variety of outcomes in their ‘social back-up,’ ‘safety net,’ ‘survival kit,’ and the ‘weapon of the weak’ functions, corresponding to their downsides: ‘free-riding,’ ‘lock-in effect,’ ‘limiting individual rights,’ and ‘path dependency.’ Each function in Figure 2 is coupled with its dysfunction illustrating an ambivalence of the outcome that networks can produce: back-up/free-riding; safety net/lock-in effect; survival kit/limited rights; weapon of the weak/path dependency (Ledeneva 2013: 65).

**Figure 2. Functional ambivalence of networks**

[insert Figure 2.ppt around here]

When we interpret this figure for the conditions of Soviet socialism and its economy of shortage, for example, the boundaries between the public and the private, between weak ties and strong ties are particularly blurry. Correspondingly, sociability of social networks and their instrumental use often become blurred. Kin and friends, and in late socialism even acquaintances, are expected to provide each other with access to goods and services in short supply (a survival kit) and to help out in other ways. Networking acquires connotations of the pragmatic use of networks, not necessarily self-serving but serving the interests of a network and reducing individual rights (limited rights). Along with a social support (back-up function), personal networks also provide unauthorized use of family, network or institutional
resources, thereby forming patterns of parasitism between individuals and institutions, private and public domains, society and the state (free-riding). Networks of gatekeepers, upon which the economies of favours rely, operate with such intensity that blat can be effectively thought of as the know-how of the Soviet system and the reverse side of its over-controlling centre (the weapon of the weak). The way they tackle the economic, political, ideological and social pressures of the socialist system effectively meant that the system could work against its own proclaimed principles.

The functional ambivalence of Russia’s economy of favours has, to some extent, solved the double puzzle in the history of authoritarian regimes: how people survived in an economy of shortage, and how the regime survived under the same constraint. The Soviet case has opened an avenue for exploring the nature of other political and economic regimes from a new perspective—the perspective of functional ambivalence of economies of favours and associated informal practices. Since the collapse of the Soviet Union, practices that have replaced blat have sustained the functional ambivalence by supporting but also subverting new post-Soviet institutions that emerged in the 1990s (Ledeneva, 2006).

The functional ambivalence of economies of favours is linked to a number of complex issues, associated with their divisive nature (us and them); competitive advantages they offer to certain networks but not others, thus implying inequality and unfairness; the compensatory role for the shortcomings of formal institutions while diverting their purpose (need and greed); their capacity for mitigating crises associated with personal and societal changes, while also slowing down the reforms. Functional ambivalence is not sufficiently researched and understood. Some reasons are linked to intellectual discomfort and methodological limitations for tackling functional ambivalence. Others are of pragmatic nature: it is difficult to study economies of favours due to the normative ambivalence around them.

**Normative ambivalence: the phenomenological lens**

If in Bauman’s terms, the ambivalence of favour could be associated with the linguistic disorder and the discomfort of attaching it to a single category, as discussed in the section of substantive ambivalence, the ambivalence of economies of favour is related to a psychological ‘hide-and-seek’ game that enables us to read our own situation in a self-serving way, while applying stricter standards to others. A normative ambivalence of economies of favour could be best imagined as the phenomenological lens that can focus either on figure or background, thus highlighting different ends of the ‘sociability-instrumentality’ stick. When focused on a figure, a particular relationship, the lens brings care and altruism to the foreground, when focused on the background, it highlights utility and self-interest. What is genuinely recognised as help, disinterested giving, grace or kindness close-up can also be misrecognised as a value-creating transaction or alternative currency as seen from afar. In the Soviet ‘doublethink’, perpetual switching of perspectives enabled one to engage in blat practices and at the same time to distance oneself from them. In other words, the blat ‘misrecognition game’ was not only about misrecognising the ‘reality’ of the usefulness of friendship, parallel to Bourdieu’s logic of misrecognition of the reciprocation of the gift. It was also about the game of switching positions and oscillating norms towards a favour depending on whether one is an insider or outsider: accepted when received by oneself, yet disapproved overall and when received by others.

**Box 3. Crossing the boundaries by oscillating between double standards.**
The intermediation of blat is essential to protect one’s positive and altruistic self-image and to misrecognise one’s own experiences: one helps a friend, not oneself, and that friend returns a favour eventually. Both parties maintain a ‘good friend’ self-image while using public resources for ‘non-selfish’ purposes. When the moral norms prescribe that one must help a friend but also that blat is immoral and unethical, the normative ambivalence – the partial ‘misrecognition game’ – is the way out.

Selfless re-distribution of public funds for a moral cause is not likely to be seen as self-serving, or corrupt. And yet, where there is a potential of mutuality, sociability breeds instrumentality. Selflessness of favours, or disinterested giving, is an essential feature of an economy of favours: ‘I favour your interests, you favour mine, and we are both selfless and non-interested in material gain individuals.’ Acting sociably, for a non-material and/or non-personal gain, allows the giver not to cross the borderline of a corrupt exchange, while the recipient of material gain is not in the position to re-direct public resources and technically does nothing wrong. Where a ‘favour of access’ involves the misuse of public office, the self-image is ‘rescued’ from being corrupt by an altruistic incentive and the lack of direct private gain.

The normative ambivalence serves the situations of moral or logical squeeze and helps to deal with the paradoxes of the system, and in this particular case to allow personal engagement in blat practices while blaming others engaging in them. “Blat is everywhere but what I do is not blat” is the key defensive narrative of individual respondents (Ledeneva 1998: 60; see also Sneath 2006 on the Mongolian case). At the level of the Soviet system, a satirical magazine Krokodil promoted the narrative of the “grand misrecognition game”: when one did it – engaged in blat and other unofficial practices – it had nothing to do with socialism. Although in humorous format, Krokodil could not help being part of the political repressive machinery designed to introduce and reinforce moral/political standards.

Blat exchanges of early socialism have matured into a fully-fledged economy of favours and become an open secret of late socialism, alongside its other competences: “to read between the lines,” “to see through the façade,” “to beat the system”, that enabled the reproduction of daily interactions without pressure of recognition of one’s own compromised behaviour or the failures of the system. It allowed people to get on with their daily lives and helped the system to reproduce itself. A society of double standards and open secrets was thus formed.

Although the social competence of handling open secrets and dealing with situations of moral ambiguity or ethical squeeze are largely invisible for outsiders, I argue that the normative ambivalence can be spotted in what I call a ‘knowing smile’ (Ledeneva 2011a), I have seen many of these while researching the economy of favours. Knowing smiles are partially about smiling, partially about knowing; partially about knowing, partially about not knowing yet being able to go on without questioning. A knowing smile signals the competence that includes a certain degree of cynicism, tacit knowledge about what is normal, the so-called ability ‘to go on,’ enhanced by skills of doublethink, misrecognition and turning formal constraints to one’s advantage. A knowing smile implies ambivalence about the idea of being honest, upright, and dedicated to official goals, holding these values, while also maintaining a distance from them. Independence, individualism, civic rights in totalitarian societies are channelled through doublethink. “Someone who readily believes whatever official discourse says has no independent thought” (Yang 1994).

The knowing smile—whether as a sign of recognition, misrecognition, or both—indicates some release from the grip of totalitarian ideologies, which are aimed at the transformation of human nature (Arendt 1973: 458), yet it could also be seen as a sign of such
transformation. It becomes irrelevant whether people believed official ideological messages or not. Instead, the relation to the officialdom became based on intricate strategies of simulated support and on ‘nonofficial’ practices (Yurchak 1997: 162; see also Zinoviev’s novels). Individual doublethink develops into collective double standards that imply the ability to hold contradictory views in private and in public and the capacity of switching between them smoothly, when applied to ‘us’ and ‘them,’ to ‘ordinary citizens’ and to the Party leaders, to one’s personal circle and to society as a whole. Double standards continued to dominate in the post-Soviet era.

At the individual level, the whole system of deals made with the state, which was intrinsic to the Soviet arrangement, inevitably led to moral corruption, the acceptance of sham, the padding of figures, string pulling, bribery, and doublethink. These conditions were necessary if society and the economy were to function. The collapse of the Soviet system did not introduce anything fundamentally new; it only eliminated the social and institutional (punitive) regulators that had limited the effect of the corrupting mechanisms (Levada 2001: 9).

Post-Soviet surveys provide numerical evidence of the ambivalence of public opinion in Russia (see Levada Centre annual report, 2012). Yet practicing double standards, no doubt, is a universal phenomenon, not restricted to the totalitarian doublethink or to its late Soviet and post-Soviet reincarnations. Where favours are granted to produce and reproduce the boundaries between those included (svoi) and those excluded (chuzhie), the oscillating behaviour of providing or not providing favours tend to result in double standards and have implications for personal integrity. The manipulative use of the formal rules and using them to one’s own personal advantage may be particularly strong in repressive systems but is not limited to them. This is illustrated by the studies of favouritism, crony capitalism, corruption and rent-seeking behaviour in the Middle East, Asian, Latin American and African resource-rich economies, as well as in the recent analyses of the 2008 sub-prime crisis elsewhere (i.e. Sassen 2012; Puffer et al. 2013). In this chapter, I discussed ambivalence in the context of economies of favours but the theme of ambivalence is much wider. Bauman links ambivalence to modernity, and Sloterdijk associates modernity with a universal trend of diffuse cynicism and ironic treatment of ethics and of social conventions, “as if universal laws existed only for the stupid, while the fatally clever smile plays on the lips of those in the know” (Sloterdijk 1987: 3-4). It is no surprise then that the ambivalence with its paradoxes, controversies and double standards is hard to pin down empirically.

The implications of ambivalence for research methodologies

In the majority of countries, until now, economies of favours have escaped dissection and analysis. In what follows I argue that the study of economies of favours requires conceptual innovation, methodological experimentation, and challenge of comparison, all in one way or another related to the issue of ambivalence. I raise my concerns, or points of self-critique, with regard to this agenda: no concept can perfectly reflect the substantive ambivalence of the economies of favours; their functional ambivalence is difficult to pin down and measure; the cultural and temporal relativity of specific exchanges is impossible to compare; the normative
ambivalence (misrecognition) is hard to work with in the field; and societies’ open secrets associated with economies of favours do not lend themselves easily to policy-making.

When I did my fieldwork in Russia in the 1990s and asked people to talk to me about _blat_ – Russia’s economy of favours – they smiled knowingly but then almost universally responded, “Why ask me?” Reassured that I only want to know “what everybody knows,” most of my respondents were happy to discuss _blat_ matters frankly, talking mostly about others, or about the way things used to be, but eventually also coming up with personal stories. Understanding of the _misrecognition game_ and the normative ambivalence has informed my methodology of research on favours: speak about generic practice, not personal experience; let the experience trickle down through narrative; speak about others (neighbours, other firms, friends); speak about the past, and inquire about know-how that is no longer in use. It would seem that one cannot study societies’ open secrets by a straightforward tackle. Approaching sensitive subjects requires an observant and patient researcher, keen on details and willing to take detours. Detours are in fact essential and are not without paradoxes. One should not look for it to find it; one should go at a distance to see closer; one should use the “rear mirror” to move ahead; and one should get out in order to notice what was in. In other words, the most direct way of studying sensitive subjects is to study them indirectly. One of the side effects of researching an economy of favours is that one becomes unfit to participate in it: once its misrecognition game is analysed, it becomes impossible to play it, once its ambivalence is understood, the habitual use of double standards becomes inhibited. Reflection distorts practice.

Studying economies of favours allows one to assess the most profound features of societies through seemingly trivial aspects of everyday behaviour, but it requires methodologies for grasping ambivalence. Sensitivities displayed in people’s accounts and explanations of favours provide insights into their own view of the divisive nature of favours and the double standards surrounding them, as well as into relationships within their networks. Understanding such cleavages can be hugely assisted by fortuitous historical circumstances. In the beginning of the 1990s, for example, it became possible to ask people to articulate their views on the Soviet past without constraint, just as in the 1950s, those who left the Soviet Union were able to describe their _blat_ experience in the Harvard Interviewing Project. The collapse of the Soviet Union has made _blat_ a matter of the past and thus enabled people to articulate it (Fitzpatrick 2000). Yet asking people about private matters, such as favours, is never in their comfort zone.

Years of fieldwork in post-Soviet Russia has helped me to develop a ‘slow cooking’ methodology and assemble ethnographic evidence on hidden aspects of informality, strategies of misrecognition, and ambivalent qualities of economies of favours alongside other qualitative research. I relied on people’s willingness to share their experiences and started framing the most interesting ones as case studies. When I was researching _Russia’s Economy of Favours_, it was a case of a doctor, Natalia, who was an effective _blat_ broker, exploiting the system but also being exploited by it. Her story exemplified the experience of the inner workings the Soviet economy of favours at grassroots level. In _How Russia Really Works_, it was the story of a banker, Tatiana, that best illustrated the ambivalence of the business practices of the 1990s, with their criminality, unlawfulness and unfairness, on the one hand, and their functionality for the transition, on the other (2006). As I looked for a
story to illustrate the profound changes that have taken place in Russia in 2000-2008, I knew it should be associated with the increased importance of the judiciary and Russia’s integration into the international legal order. I was particularly keen to explore gender aspects – the majority of judges are women – and their relevance to the analysis of the key feature of sistema. The first decade of the twenty-first century produced a ‘whistle-blowing’ trend among the Russian judiciary, with a number of judges speaking out about the fear they felt and the administrative pressure they had experienced. Several judges testified went on record to report that, at a higher level, influence with judges and prosecutors can yield desired results in criminal, commercial, and civil trials, and that, even if unfavourable judgments are handed down, there are ways to ensure that they are not enforced. When Olga Kudeshkina was dismissed from her position as a judge in the Moscow City Court for her non-compliance with informal commands, she took her case to the European Court of Human Rights in Strasbourg and won. Her life story has become the case study for Can Russia Modernise (2013a), illustrating the constraints that turn a ‘whistleblower’ of sistema defects into a ‘traitor’."

Theoretically, my method connects to the ‘obliquity’ approach undertaken in John Kay’s study of why our goals are best achieved indirectly (Kay 2011). Kay observes that the happiest people do not pursue happiness; the most profitable companies are not the most profit-oriented; and the wealthiest people are not the most materialistic. Grant pursues a similar argument in the context of give and take practices (Grant 2013). Similar to those lines of thinking, I looked for evidence of informal power in unexpected places. Somewhat paradoxically, the evidence for the most secretive workings of informal power was found in most formal of sources – legal rulings in the public domain – and in most tangible way, the material culture of the Kremlin’s securitised communication network vertushka (Ledeneva 2013a).

In my ethnographic fieldwork, I have searched for signs of recognition of matters one does not need to spell out: the semi-taboos about economies of favours, the complicity to leave things unarticulated, the ambivalence of attitudes towards sensitive subjects. These are all pointers to the potentially innovative research. Observing the near ubiquitous exchange of knowing smiles in everyday contexts has pointed me to the niches of informality. Such exchanges are the basis of normality and routine interaction that is so fundamental for the modus operandi in societies according to Goffman (Goffman 1971:7-14, Giddens 2009: 293). Smiling about blat has given me a prompt to look at other open secrets and their intricate relationship with power (Ledeneva 2011a). I argue that economies of favours – where they are developed and registered in vocabularies of informality – constitute the societies’ open secrets. One might think that an open secret is not a secret at all, since it concerns things that ‘everyone knows’, whether within a particular group or more widely in a society. This view

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8 ECtHR ruling No 29492/05 Kudeshkina v. Russia, 26 February 2009. For details see Judge Olga B. Kudeshkina’s speech, 1 March 2010, ‘Deeds not words: The present failings of judicial reform in Russia’, www.eu-russiacentre.org/eurc/judge-olga-kudeshkinas-speech.html.
would be a mistake, however, because open secrets are only partly open. Open secrets are *secrets* in the sense that they are excluded from formal or official discourse but they are *open* in the sense that they are familiar and referred to in idioms and language games, though these often require explanation for outsiders. Their ambivalence is a real and significant one. There is a tacit acceptance that what is known should remain unarticulated. Open secrets, as is certainly the case with double standards, occupy areas of tension, where a public affirmation of knowledge would threaten other values or goods that those involved want to protect. This point is noted in Georg Simmel’s discussion of secrecy, which reveals its complexity and subtlety. Simmel defines secrecy as ‘consciously willed concealment’ – open secrets are clearly still secrets according to this definition.

As societies’ open secrets, economies of favour have great research potential in most societies. The ‘oblique’ methodology outlined above fits with the logic of triangulation – “attempt to map out, or explain more fully, the richness and complexity of human behaviour by studying it from more than one standpoint” (Cohen and Manion 2000: 254). Qualitative data on economies of favours should ideally be supported by other methods of “cross-checking data from multiple sources to search for regularities in the research data” (O’Donoghue and Punch 2003:78). However there are inevitable obstacles to the study of ambivalence, whether substantive, functional or normative.

Quantitatively, the size of economies of favours is even harder to assess than that of non-quantifiable forms of corruption, such as nepotism, conflict of interest, hospitality (Transparency International 2011). The subjectivity of value of favours, their cross-cultural incomparability and ambivalence makes it impossible to measure the size of economies of favours objectively. Rather, one could assess a spread of the phenomenon, following the methodology of measuring perception, as in the Corruption Perception Index (CPI). It should also be possible to measure the gap between the perception of others’ use of favours and self-reported experience of giving and receiving favours. Given that perceptions of favours are ambivalent and experience is misrecognized, risks of quantification can be mitigated by triangulation that gives a more detailed and balanced picture of the situation. Given cultural specificity of economies of favours – there are often no exact translations of related idioms, slang, or jargon from one language to another – qualitative research is essential to establish the facilitating conditions, main gatekeepers, principles of inclusion and exclusion, multiplicity of norms, needs satisfied, degrees of obligation and codification, influence of kinship, tradition and religion, social inequality and other divisive narratives. The main challenge, however, is to create novel indicators for grasping ambivalence, misrecognition, doublethink, and double standards that could potentially be comparable across societies (Prelec 2004).

Comparability of economies of favours can be seriously contested. Due to their substantive ambivalence, they are hard to study even within one setting (specificity, secretive nature, 11 Transparency International annual index (CPI) measures the degree to which corruption is perceived to exist among a country’s public officials and politicians. It is a composite index, drawing on 17 surveys from 13 independent institutions, which has gathered the opinions of businesspeople and country analysts. The scores range from ten (squeaky clean) to zero (highly corrupt). A score of five is the number TI considers the borderline figure distinguishing countries that do and do not have a serious corruption problem. To access the CPI index go to http://www.transparency.org/cpi/. For critique of the index see (Galtung 2005, Knack 2006, Ledeneva 2009a).
dependence on respondents). They are inscribed into formal frameworks – political and economic systems – which are themselves non-comparable and rooted in different historical/social contexts (Ledeneva 2008). Due to their functional ambivalence, they both subvert and support political and economic systems, social norms and standards of sociability. Due to normative ambivalence, the collected data may be difficult to interpret. Rather than following a coherent set of principles, provision of favours are in line with some, but contrary to the other, widely held norms and values, which causes the ambivalence with which it is regarded: it is usually condoned by some and condemned by others, and/or condoned and condemned by the same people, depending on a context. Innovative ethnographic and possibly, interdisciplinary, approaches are required to identify such subjects as economies of favours that can be developed further by the disciplines.

Economies of favours have implications for many disciplines such as management studies (Puffer et al. 2013), informal governance (Christiansen and Neuhold 2012), legal anthropology (Donovan 2007); organisational studies (Yakubovich 2013); social media studies (Lonkila 2010, Morozov 2012) and cyber studies (Assange et al. 2012). These fields would benefit from ethnographical perspective on economies of favours and help define future agendas for the interdisciplinary research. The nuances of economies of favours are so important that it requires almost a ‘clinical approach’ with Merton’s compassion but also detachment, with focus on the in-depth understanding of the case and its cultural context and also certain distance from it.

A degree of marginality, associated with ethnography, being an insider but also an outsider of the studied societies, moving in and out of the field is essential not only for a research, but also for a respondent. Marginality can be an unintended consequence of the losing of one’s country (or the socialist idea one believed in), one’s freedom, one’s job, or one’s status. For a researcher, such loss is a find. ‘Disaggregating’ concepts and specifying local practices, while being able to ‘inscribe’ them back into the global knowledge; creating novel ways of recording, registering and measuring economies of favours, while being able to connect to the existing datasets and indicators; maintaining the cultural relativity of economies of favours, while introducing a comparative dimension – all require expertise in ambivalence – a healthy degree of schizophrenia, as it were.

References:


