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## **Resentment to Capitalism: The Transformation of the Peasant Tradition in Russia**

Culture, which constitutes the source of informal institutional economic practices, preconditions the specific character of capitalism in a particular country. The recent Russian rapid implementation of “formal capitalism” in law, politics and the economy has not led to the creation of an “informal” capitalist society, i.e. to changes in habits, norms and everyday practices. Public resentment towards developing Russian capitalism shows that the old life orientations are still significant. They are expressed in the rhetoric about “capitalist foreign abuse”, resistance of workers to capitalist managers, corruption and oppression of free producers by their “egalitarian” neighbours and bureaucrats.

The problem of the contemporary resentment towards capitalism in Russia has proved to be most questionable. Some theorists assert that this resentment is rooted in traditional cultural patterns rather than in the Soviet legacy or the recent democratic experience. Their position implies that the rejection of capitalism is not merely a product of ideological control under communism but the result of deep-seated traditions in Russian life.<sup>1</sup> These traditions are often ascribed to the difference of labour ethics, peasant civic culture, especially the peasant commune as its basic institution, and its negative effects on peasant mentality and economic performance. Anti-capitalist traits, such as collectivist features of communal economic activity, insufficient amount of social capital, supplied by the peasant commune, especially low level of overall trust, which is an essential component for successful business operations, were only reinforced by Soviet rules. It is also stated that the difference between Russian and Western mentality has its basis in the difference between Oriental and Occidental meaning of aim, value, space of labour and thus in the different meaning of economic prac-

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<sup>1</sup> Thomas C. Owen, *Russian Corporate Development from Peter the Great to Perestroika*, Oxford, Oxford University Press, 1995, p. 96.

tice. These differences derived from the Orthodox treatment of labour, which proclaimed to be "contemplative rather than practical."<sup>2</sup> The aim of this paper is to show some traditional cultural patterns promoted by Siberian peasant communes, to illustrate how they worked in the historical situation of Siberian economic life at the end of the 19<sup>th</sup> and the beginning of the 20<sup>th</sup> centuries, and then trace their possible development under conditions of recent democratic transition. This helps to respond to the question, to what extent the communal system and patterns it created are actually responsible for the emergence of anti-capitalist protest. Specifically, how these cultural patterns influenced capitalist development in late Imperial Russia and how influential they are in present rural life.

Ann Swidler's approach is used in this paper. She proposed shifting the emphasis from cultural ends to individual behavioural patterns: "people may share common aspirations, while remaining profoundly different in the way their culture organizes their overall pattern of behaviour."<sup>3</sup> Similar ends do not imply similar means of acceptance. Available means determine differences in results despite similar anticipation and intention.

In this sense, culture represents a set of skills and habits rather than a set of preferences and wants. Swidler refuses to recognize the immanent character of values in a society: values do not determine the behaviour of people but rather their distant cultural orientations. She asserts that a particular individual is a kind of "architect" of his or her personal behavioural "strategies of action." Material for these strategies is supplied by culture, which is a "tool kit", a great storage system, containing "diverse, often contradictory symbols, rituals, stories and guides to action", which people may use in varying configurations to solve different kinds of problems.<sup>4</sup>

The possibility of changes in a society are greatly preconditioned by the availability of the various patterns that are provided by the cultural "tool kit." This cultural diversity provides variety in the choice of strategies of action and due to variety among civilizations, cultures have their own specific character and do not represent a repertoire of all kinds of actions. Some actions could be absent or underdeveloped.

Russia underwent gradual changes of a capitalistic nature after the abolition of serfdom in 1861 and traditional Russian culture not only supported these changes but also experienced modification after that time. However, the lack of social unity in Late Imperial Russia meant that trust relations within social classes remained much stronger than those between classes.

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<sup>2</sup> T. Koval, *Pravoslavnaya Etika Truda* (Orthodox Labour Ethic), Mir Rossii, Vol. 3 #2, 1994, p. 60.

<sup>3</sup> Ann Swidler, *Culture in Action: Symbols and Strategies*, American Sociological Review, Vol. 51 April (1986), p. 275.

<sup>4</sup> Ann Swidler, *op.cit.*, p. 277.

Trust interactions between semi-autonomous civic cultures together with the still powerful state that was linked with the autocracy remained sporadic and short-term rather than frequent and steady. The contradiction in values weakened trust relations between different civic cultures. Xenophobia which, as stated, is a Russian traditional feature,<sup>5</sup> seemed to be no more than an illustration of the low level of trust in society.

During the capitalist era, state mediation between classes remained relatively strong because the state remained one of the most effective means of securing trust and cooperation at national level and stopping anti-capitalist protest. Later, autocracy began to be perceived as an abundant yet restrictive force for social and national development. The American senator, Beveridge wrote that the Russian government did not understand the economic changes that had occurred in the 19<sup>th</sup> century. Capitalism seemed dangerous for autocracy, so it tried to control it with numerous regulations, intruding in the process of the formation of proper relations between labour and capital.<sup>6</sup>

The covert struggle of various civic cultures seemed to have its logical outcome in the outbreak of the October 1917 revolution. Peasant civic culture suppressed and pushed civic cultures out of other social estates. Hatred of foreigners as bearers of capitalist relations was enhanced by the Marxists' rejection of capitalism. The newly created Soviet society in many ways remained the gigantic peasant community, which was called "a totalitarian society in miniature."<sup>7</sup> The strong patriarchalism in the Russian peasant family and naïve monarchist views generated a holistic view of Soviet society as a big "family of nations" under the leadership of a "wise father."

In the period following the abolition of serfdom in 1861, new social classes appeared on the scene: rural and urban entrepreneurs, capitalist traders and bankers. Railroads, the telephone, newspapers and entrepreneurial activity broke the bonds of communal life. Many peasants who were involved in wars and participated in urban life after their return brought knowledge about the outside world to their villages. They personally represented this knowledge and new types of behaviour.<sup>8</sup> Curtiss contends that it was these peasants who changed the accepted rules of rural life.<sup>9</sup> Moderni-

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<sup>5</sup> See Thomas C. Owen, *op.cit.*

<sup>6</sup> Albert Beveridge, *US and Material Advance in Russia*, NY-London 1904, p. 265-267.

<sup>7</sup> Wayne Vucinich, *Introduction*, [in:] *The Peasant in Nineteenth-Century Russia*, Wayne S. Vucinich, ed., Stanford University Press 1968, p. xii.

<sup>8</sup> Lenguel Emil, *Siberia*, Garden City N.Y. 1943, p. 199.

<sup>9</sup> See J. Curtiss, *The Peasant and the Army*, [in:] *The Peasant in Nineteenth-Century Russia*, Wayne S. Vucinich, ed., Stanford University Press 1968.

zation steadily affected the peasant commune, making it adapt to changes. However, before the Stolypin reforms in the early 20<sup>th</sup> century, the state preserved and officially confirmed the commune as the basic unit in the legal, social and economic spheres. The Tsarist Government partially transferred its supervisory power to the commune in an attempt to make it a unit of the bureaucratic machine. At the same time the peasant commune was put under strict government control. The main results of this were stressing the role of the community not only in its genuine realm but also where it was originally out of communal regulations. This meant the preservation of communal archaic traditions, old agricultural methods, strengthening communal control over the individual peasant.

The power of communal control is rooted in the manner of peasant socialization. The traditional character of peasant life implied that the means of socialization were the personal experience of everyday life, oral transfer of knowledge and values. The peasant was not introduced to the outer world independently but through the communal framework: the peasant depended on the commune in all respects. This manner of socialization was blessed by government policy: the authorities preferred to deal with the commune rather than with the individual. It was partially due to the fact that property rights to the land belonged to the commune and the government did not change its "communal" approach until the beginning of the 20<sup>th</sup> century. After the Emancipation the overwhelming majority of peasants refused to accept their allotments as private property since they could not imagine running their holdings independently. The low incidence of deviant behaviour in the countryside also shows the power of the collective tradition and unity within the commune.

The minimization of agricultural risk for the sake of economic efficiency was one of the main tasks of the commune. The accomplishment of this task required control of the use of natural resources and the labour force: "(the) community emerged as arbiter... (it) maintained rigid control devices to ward off potential danger."<sup>10</sup> It also included the suppression of any kind of delinquent behaviour which could be harmful to communal interests. "Those who deviated from the group norms of common law, encountered at first ridicule, then open censure and finally exclusion or expulsion from the commune. Communal justice might even culminate in death."<sup>11</sup> The logic of collective life prescribed every actor a specific role in a common game: free improvisations were more often punished than

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<sup>10</sup> Christine D. Worobec, *Peasant Russia. Family and Community in the Post-Emancipational Period*, Princeton University Press, 1991, p. 7.

<sup>11</sup> Boris Mironov, *The Russian Peasant Commune after the Reforms of the 1860s*, [in:] *The World of the Russian Peasant. Post-Emancipation Culture and Society*, edited by Ben Eklof and Stephen P. Frank, Unwin Hyman Inc., 1990, p. 13.

welcomed which is contrary to the capitalist mentality where one could take risk for the sake of a potentially large gain in the future.

A peasant was not completely suppressed by the commune and had the opportunity for personal initiative. "The relationship between peasant and commune may be called organic, voluntary conformism... political, intellectual, moral and social, and it made for standardization of peasant needs and interests."<sup>12</sup> This standardization represented a kind of tacit "public agreement" created to provide at least the minimal economic efficiency. As to other aspects of life, a peasant felt relatively independent insofar as his activity did not contradict "common interests." Typically, these interests could be defined as communal regulations concerning some important agricultural procedures, the usage of communal property such as pastures, forest etc. Peasant communal conformism was based on the commonality of interests and purposes, homogeneity of the status and internal unity. "Total absorption of the peasant by the commune did not occur... and was hardly possible."<sup>13</sup> The ascribed peasant anti-individualistic rejection of self-seeking behaviour is seen as the outcome of peasant conformism. Communal regulations let a peasant remain relatively independent in his economic activity.

Despite the fact of 'untrust' (term of R. Putnam) among social classes, trust relations within peasant estates, especially within communes were very strong. The image of a folklore peasant hero helps to show the limits of trust relations as well as the peasant's understanding of the notion of private property from a peculiar point of view. In many Russian tales a peasant hero usually cheats government officials, landlords, merchants and other "immoral" or "dishonest" people. However, this kind of behaviour is not applicable to the members of his commune and he remains fully "moral" among the peasants of his and other villages. All objects for "honourable" deception (excluding the tax-inspector) are owners of land, shops, plants i.e. property which, from a peasant's view, is not confirmed by personal labour. At the same time they are also people with individualistic social behaviour. On the contrary, peasants are not individualistically minded nevertheless they perceived themselves as the true owners of the land. The peculiar division of peasant morality shows very weak trust relations between social classes (vs. strong trust relations within a group) of Imperial Russia rather than disrespect to the notion of property among Russian peasants. Mironov states that the peasant's actual behaviour was rarely observed by outsiders who were treated as aliens: they were not considered as trustworthy. During social transactions within the commune the peasant's moral status was not ambiguous.<sup>14</sup>

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<sup>12</sup> Boris Mironov, *op.cit.*, p. 19.

<sup>13</sup> Boris Mironov, *op.cit.*, p. 20.

<sup>14</sup> See Igor V. Volguine, *Entrepreneurship and the Siberian Peasant Commune*

The autocratic investment in the peasant commune as a mediator between the authorities and the peasant individual preserved the most archaic, anti-modern communal norms. This arrangement prevented the formation of capitalist-oriented cultural patterns and fostered communist ones. Especially, it was clearly revealed in the support of repartition practice: through repartition the Government tried to support poor households for the sake of fiscal interest. One of the cultural outcomes of that was a change in treatment of labour and wealth accumulation.

Usually the peasant commune possessed a certain amount of land, pastures and forest, which were redistributed among commune members. This preconditioned a certain sense of collectivity, unity and justice. The communal form of property implied the distributive practice, being the logical continuation of the peasant's understanding of justice under conditions of limited resources. Distribution was the practice of "taking from one to give to another. One man's gain represented another's loss... (peasant's) perception of economic activity... even of social transactions... as a zero sum game. Any unusual accumulation of property or wealth among the peasants, even if acquired by special effort or ability, could be treated as socially unjust by others in the community... The successful peasant was resented as much as admired."<sup>15</sup>

The regular practice of equalization of economic possibilities, i.e. receiving the proper share of common wealth through the redistribution procedure, "taking from one to give to another", under conditions of governmental intrusion, was later developed into the cultural perception of redistribution as a source for the "fair", and was tacitly implied to be a "successful", right, moral manner of wealth accumulation. The redistribution was viewed as the "just" economic alternative to the "unjust" capitalist accumulation. Economic success was based on the anticipation of granted rather than personal efforts.<sup>16</sup>

Some theorists asserted that such treatment of labour and its results are rooted in the religious character of the Russian people in general and the peasantry in particular. The religious ideal of the Russians implied the abstract process of labour and treats it, in a way, as a religious ritual. The act of labour is viewed as a spiritual exercise insofar as it is God oriented. Service to God must be unselfish, gain is not important. Thus the difference

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*in Late Imperial Russia*, [in:] *Rural Reform in Russia*, edited by David J. O'Brien and Stephen K. Wegren, Woodrow Wilson Center Press, Washington, D.C. The Johns Hopkins University Press, Baltimore and London, in press.

<sup>15</sup> Dorothy Atkinson, *Egalitarianism and the Commune* [in:] *Land Commune and Peasant Community in Russia. Communal Forms in Imperial and Early Soviet Russia*, edited by Roger Bartlett, MacMillan, London 1990, p. 14.

<sup>16</sup> See Igor V. Volguine, *op.cit.*

in mentality is originated: "... contemplating the nature of Orthodoxy and practical spirit of Catholicism... Orthodox religion, unlike Catholicism, did not attempt to categorize various forms of labour as to the level of spiritual growth."<sup>17</sup> In this sense the aim is subordinated to the labour act, attention is paid to how moral, thorough and thus religious a person was during his labour. Labour for pure gain seemed selfish, such a labourer or a person with rational, individualistic behaviour (entrepreneur, trader) opposed peasant virtues, encountered resentment and even rejection from the peasantry. "Traditionally, Russians equate trade and industry (i.e. entrepreneurship, individualistic behaviour) with pure greed."<sup>18</sup>

Even in the case of a large beneficial personal contribution to the commune, which was the result of an individual act, seeking money was perceived as an immoral act. Peasant morality did not approve of "pure" personal initiative even in the solution of personal economic misfortune; individualistic behaviour was a source of resentment even if it met common needs due to the fact that an entrepreneur had too many benefits from it. Usually, peasants treated their "communal" entrepreneurs more tolerantly: they witnessed the origin and process of wealth accumulation. From this point of view the way of accumulation, the correspondence of the entrepreneur's behaviour during business operations to the peasant's virtues were more important for peasants than economic results. The perception of the immorality of rich peasants who achieved their wealth within or outside the communal framework was geographically preconditioned. However, it was a common feature that the wealthy outsider was treated more severely than his "native" counterpart. The "internal" way of gradual capitalist accumulation i.e. within the communal framework, was relatively safer than the "external" way: slow adjustments of the new social, economic, cultural phenomena to the traditional peasant culture prevented social outbursts and conflicts. The "external" way could collide with various obstacles: cultural adjustment of the traditional peasant views to the new behavioural patterns proved to be most difficult.<sup>19</sup>

The state enforcement of communal institutions led to the economic and legal restriction of peasant freedom thus undermining entrepreneurial activity. This also resulted in restraining peasant migration to urban and industrial areas, increasing social tension within the commune, preserving low trust relations between social estates and blocking cultural adaptation in the treatment of labour and wealth accumulation.

In the second half of the 19<sup>th</sup> century, Siberia remained more economically underdeveloped than European Russia. The slow colonization of the

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<sup>17</sup> T. Koval, *op.cit.*, p. 60, 65.

<sup>18</sup> Thomas C. Owen, *op.cit.*, p. 98.

<sup>19</sup> See Igor V. Volguine, *op.cit.*

region was not accelerated until after the 1880s when there was a greater shortage of land in Central Russia. The weak development of infrastructure prevented the government from full control over a vast territory, thus autocratic power was restricted in a natural way.<sup>20</sup> One of the most important historical results of this was the weak development of landlord ownership in Asiatic Russia. The Tsarist government tried to implement serfdom in Siberia without much success. After the Emancipation the government purchased landlords' estates and consequently peasants from these estates became state peasants.<sup>21</sup>

Siberia was conquered by the Cossacks, became populated by exiles, criminals of all kinds, peasants who escaped from their serf obligations and religious heretics. Long distances, vast territories, weak government control and rich natural resources allowed these individuals to remain semi-independent from the regulations of the state and church. Thus, historically, Siberia was populated mainly by socially active representatives of Russian society, who possessed more individualism and initiative than did other Russians.<sup>22</sup>

Siberian inhabitants were involved in economic activity which could be called entrepreneurial. Many people, including peasants, undertook different kinds of small business, such as fur-hunting, trapping, gold mining and retail trade. Sometimes these activities were economically more successful than agriculture and gave peasants additional revenue. Many visitors noted the similarities in economic activities between Russians in Siberia and individuals in Canada. Free spirit, entrepreneurial initiative and individualism were features that made the Siberian people different from their countrymen in European Russia.<sup>23</sup>

The aforementioned preconditioned some peculiar features of Siberian development. In spite of a similarity in status there was a difference in the economic conditions of the peasantry in European Russia and Siberia. Siberian peasants were far freer in their activities than their European counterparts. They could choose between undertaking a small business or being "pure" peasants. Peasants frequently did both. Weak national government control, vast free land allowed the Siberians to organize their way of life

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<sup>20</sup> V. Rabceвич, *The Peasant Commune in the System of the Local Governing in the Western Siberia*, [in:] *Krest'ianskaia Obschina v Sibiri. XVII-nachala XX v.*, L. Gorushkin, M. Gromyko, ed., Novosibirsk, Nauka 1977.

<sup>21</sup> *Krest'ianstvo v Sibiri v Epokhu Kapitalizma* (Siberian Peasantry in Capitalist Epoch), Novosibirsk, Nauka 1983, p. 15-16.

<sup>22</sup> Erwin Lessner, *Cradle of Conquerors: Siberia. The Complete Story of the Giant Land Mysterious in the Past, Menacing Today*, Garden City, New York, Doubleday 1955.

<sup>23</sup> Lindon Bates, *The Russian Road to China*, London, Constable 1910, p. 30.



almost independently and the peasant communal system was freer from official impositions. Many of the cultural patterns of the Russian peasantry in Siberia developed without much state influence.

The Siberian peasant commune represented a natural form of economic cooperation for the Russian peasantry. It was "a union for the common usage of the land." The commune united collective and individual elements. "The right of the overall power over communal land, belonged to the commune."<sup>24</sup> The very idea of the commune implied the equal right of all for the "just" part of God's land which was confirmed by individual labour. The main tasks of the commune were to regulate, promote and coordinate the activity of its members, to distribute land, forests and pastures owned by the commune among commune members.

The commune demonstrated the strong ability for adaptation in different environments that formally did not support it. This was due to the flexibility of this institution. The commune provided some facilities that were crucial for the survival of its members such as securing economic efficiency through the minimization of agricultural risk, reconciliation and coordination of collective and individual economic activities, ensuring trust, which enables cooperation and economic efficiency of peasant individuals.

In comparison with Europe and the United States, the efficiency of Russian agriculture under the commune system showed no apparent negative effect from land partition. It was estimated that "grain yields per hectare on peasant allotment land in European Russia after the Emancipation rose almost as fast as those on private land. From 1860 to 1911 there are no reliable data that Russian rural development was retarded by the village commune system or communal land tenure."<sup>25</sup> The fact that the commune system was continued by Russian peasants who migrated to Siberia means that this system was deeply rooted in Russian culture and that governmental impositions played a secondary role in establishing communes in that area. The differences in evolution of communal systems in Russia and Siberia mostly lie in the different functions of the commune in land regulations. Kaufman considered the Siberian type of peasant commune as the most "natural" and "clear" form of Russian peasant economic organization, which was not contaminated by governmental intrusion.<sup>26</sup>

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<sup>24</sup> T. Prudnikova, *The Influence of Equalisation Ideas on the Communal Rules in the Western Siberia after the Emancipation*, [in:] *Krest'anskaia Obschina v Sibiri. XVII-nachala XX v.*, L. Gorushkin, M. Gromyko, ed., Novosibirsk, Nauka 1977.

<sup>25</sup> R. Bideleux, *Agricultural Advance Under the Russian Village Commune System*, [in:] *Land Commune and Peasant Community in Russia. Communal Forms in Imperial and Early Soviet Russia*, Roger Bartlett, ed., MacMillan, London 1990, p. 201, 208.

<sup>26</sup> A. A. Kaufman, *Zastyvshaia istoria obschiny. Ocherk rasvitiia zemel'nyh po-*

In Siberian communes the repartition of land did not occur until the beginning of organized colonization in the late 19<sup>th</sup> century. The gradual inflow of population from the European part of Russia, and subsequent land shortages, strengthened government control and laid down the foundation for the repartition practice.<sup>27</sup> In securing its fiscal interests the Government tried to enforce land repartitions which became more frequent but they never became as common as they were in European Russia. Full repartitions were very rare and only took place in western regions of Tobolsk province: the "role of the commune in a fiscal sense was alien to the interests of the peasantry."<sup>28</sup>

The perception of economic success as a zero sum game, which was so common among peasants in European Russia,<sup>29</sup> was not so strongly expressed in the Siberian case. The Russian peasant morality of anticipation of one's part in the common good<sup>30</sup> confronted Siberian peasant virtues and initiative and resulted in cultural conflicts. Under conditions of the sufficient free land fund, a peasant lacking personal initiative was considered lazy. For this reason Siberian peasants despised peasants from the European part of Russia and called them "rassetskimi", namely "the Russians". Many foreign observers have noted differences in the two types of Russian peasantry, European and Siberian. The Canadian historian Mavor noted that a Russian peasant was satisfied by obtaining the secured minimum from his land and did not attempt to improve his position.<sup>31</sup> On the contrary, the Siberian peasantry possessed a higher level of personal confidence, independence, entrepreneurial initiative and individualism.<sup>32</sup> Rich peasants who achieved success within the communal framework and in small business were admired and respected. They formed a peasant "establishment" which was responsible for decision-making inside the commune. The British reporter Morris Price considered these independent rich peasants as potential leaders of local self-government.<sup>33</sup> Hence, the original system of the peasant community (derived from European Russia) without government

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*riadkov sibirskoi obschiny*, (Fixed History of the Peasant Commune), Vestnik Evropy, 1893 #6.

<sup>27</sup> Nina Minenko, *The Role of Peasant Commune in Regulations of Agricultural Production. Zemledel'cheskoe Osvoenie Sibiri*, Novosibirsk 1985, p. 43.

<sup>28</sup> V. Rabcevic, op.cit., p. 138.

<sup>29</sup> See Dorothy Atkinson, op.cit.

<sup>30</sup> See Igor V. Volguine, *Cultural Limits of Democratic Reforms in Russia*, MA thesis, Warsaw 1998.

<sup>31</sup> J. Mavor, *An economic history of Russia*, 2 vols. Lnd. 2nd ed. 1925 1st ed. in 1914 p. 365.

<sup>32</sup> See Igor V. Volguine, *Social Types of Peasantry from European Russia and Siberia*, [in:] *Voprosy Istorii Sibiri 20 veka*, Novosibirsk 1998 p. 27.

<sup>33</sup> Morris Price, *Siberia*, Methuen & Co, London 1912, p. 8.

support did not prevent the development of capitalist economic relations in Siberia.<sup>34</sup>

The history of the Siberian butter-industry development is an example of flexible peasant cooperation, both with and without the help of the commune. It also illustrates how trust relations "worked" under actual conditions and the extent of communal anti-individualistic bonds which actually prevented capitalist peasant entrepreneurial activity.

The development of the Siberian butter industry can be traced back to 1886. Thirty peasant cooperative dairies operated in Siberia until 1900. The lack of operating capital was the common weak point of Russian enterprises. Therefore, in the initial stages of butter industry development foreign investment played an important role in supplying the required capital. Foreign merchants also provided a link between the remote Siberian butter producers and foreign consumers.

Agreements were reached between foreign entrepreneurs and the peasant communes reflected the customs of peasant economic practice. Risk was avoided by collective effort and the peasantry reconciled self-interest and solidarity which corresponded to peasant virtues and morality. From this point of view, the commune acts as a cohesive whole, as an entrepreneur who deliberately takes the risk for potential gain in the future. The high level of trust relations within the peasant collectivity preconditioned the existence of dense "norms of reciprocity." Thus the commune provided a large amount of social capital in a very efficient way without government judicial support. The commune also prevented defections of different kinds.

Social capital, i.e. "features of social organization (trust, norms, networks)" is the by-product of various social activities.<sup>35</sup> Trust is its essential component. The greater the levels of trust within the community, the greater the likelihood of cooperation. A greater level of cooperation means a more efficient society. "Societies which rely heavily on the use of force are likely to be less efficient than those where trust is maintained by other means."<sup>36</sup> The state plays an important role in the enforcement of cooperation among social estates and citizens through proper judicial regulations. In the Russian example, with the existence of the aforementioned weak trust between estates in society, "the state enables its subjects (social estates) to do what they cannot do on their own; i.e. trust one another."<sup>37</sup>

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<sup>34</sup> See Igor V. Volguine, *Entrepreneurship and the Siberian Peasant Commune in Late Imperial Russia*, op.cit.

<sup>35</sup> Robert Putnam, *Making Democracy Work*, Princeton, Princeton University Press, 1993, p. 169.

<sup>36</sup> Robert Putnam, op.cit., p. 165.

<sup>37</sup> Robert Putnam, op.cit., p. 171.

The communal forms of economic interaction found expression in the *mir* (agricultural) and the *artel* (industrial) systems of cooperation. The latter played an important role in the development of the Siberian butter industry. Communes that made agreements benefited from the cooperation, the limits of trust were widened. Social capital accumulates in the repeating actions of trust relations. Thus, the amount of milk suppliers increased immensely and some peasants began to plan organizing their own businesses. The *artel* model was quickly adapted to the needs of the butter industry and proved to be extremely successful in the involvement of masses of isolated and self-sufficient peasant communes into market relations.

In the next stage of industrial development, Russian entrepreneurs tried to take their share in business. The main emphasis was on the *artel*, firstly to coordinate the efforts of existing enterprises and secondly to promote the creation of new enterprises. The greater level of individualism resulted in the splitting up of communes. Some more successful peasants tried to run their own business separately. The system became more complicated. Short and long-term credit was needed not only for the future supply of milk but also for ready butter. Credits were needed for cream separators and agricultural machinery.

Russian merchants coordinated the work of the cooperative dairies and peasant entrepreneurs through the "Organization for the Assistance to Butter Cooperatives." This association promoted the creation of 270 *artels* which embraced 52,500 peasant households.<sup>38</sup> This system had represented an attempt to link Siberian butter producers directly to foreign customers through the mediation of the cooperative union. Unfortunately, World War I did not allow the completion of this task.

Nonetheless, impressive results were achieved. Prior to the beginning of World War I, Siberia supplied 16 per cent of the butter produced in the world and 61.3 per cent of the butter produced in Russia. The main social and economic consequence of this development was the rapid individualization of peasant households and thus the undermining of the communal system. Thus, the system of peasant communes and existing cultural patterns in rural areas did not prevent the market processes that were more economically efficient and eventually contributed to its destruction as a social institution.

By embodying autocracy under another guise, the Soviet regime reinforced the role of the state and partially demobilized the strong peasant civic traditions. During the Soviet era, it was partially absorbed by the new Russian-Soviet culture, attenuated and resided in the collectivist habits of agricultural workers. The broken capitalist modernization of Imperial Rus-

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<sup>38</sup> Leonid Gorushkin, *Sibirskoe krestianstvo na rubezhe dvuh vekov* (Siberian Peasantry on the Edge of Two Centuries), Novosibirsk, Nauka 1967, p. 160.

sia was continued during the Soviet time. Despite the fact that the ideological grounding of these processes was different, economic consequences gradually changed the social and economic structures of Soviet Russia. Industrialization destroyed the power of agriculture in the economy: the majority of the population became engaged in industry, urban dwellers greatly exceeded the rural and these trends continued to be steady. Generally speaking, the results of economic development enabled Russia to follow the capitalist orientation: the high level of urbanization, industrial development, the capacity of natural resources, the skilful labour force, scientific potential and the high level of education in the country.

During the Soviet time the state continued to play an important role in social life. This role was even overemphasized by communist ideology. Thus, the role of bureaucracy was enforced which resulted in the supremacy of bureaucratic regulations over formal law: the latter served mostly as a basis for the current bureaucratic "ukases". From this point of view the state in the form of the strong executive power remains to be the main guarantor of the social order through bureaucratic and coercive mechanisms. One should take into account this negative state legacy: people's expectation and cultural reactions to the "passiveness" of the state in almost every aspect of social life can be negatively revealed as it happened in the "Pyramid case".

The former estates disappeared and were replaced by peasants, workers and intelligentsia. Economic integration and technological progress affected the boundaries between social groups: they became less distinct inasmuch as social mobility continued to increase. Trust relations among the Soviet social groups were widened compared to those in Imperial Russia mostly due to the creation of the relatively homogeneous, ideologically inculcated Russian-Soviet civic culture. During the post-Soviet period social mobility increased due to structural changes and the results of recent democratic reforms. The new democratic constitution, changes in the formal institutions provided a basis for capitalist economic orientations and changes in cultural patterns. New social classes, for instance, entrepreneurs, appeared.

The peasant labour cult seems to be almost unchanged but under modern conditions its results are seen as a proper expectation of adequate reward for efforts spent. Thus, property is more obviously connected with labour endeavors. Realities of such treatment of labour have their expression in the new Orthodox doctrine of property, labour and its results. Security of property rights, the right to reap the fruits of one's labour, various labour and property forms are recognized and admitted.<sup>39</sup>

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<sup>39</sup> *About a Basis of the Social Concept of the Russian Orthodox Church*, The Journal of Moscow Patriarchate, #10 2000, <http://www.jmp.ru/JMP/00/10-00/00-c.htm>

The position of entrepreneurs as representatives and bearers of capitalist orientations among the peasantry changed. Recent investigations in Western Siberia, conducted by the Sociology Department of the Institute of Economics and Industrial Engineering under the leadership of Z. I. Kalugina show that current treatment of entrepreneurs is tolerant: 25% and 16% of respondents respectively rate them positively or neutrally. Only 14% of peasants rate them negatively. The opinion of 34% of respondents depends on details of a particular situation rather on steady views. These 34% represent a fluctuating part of the peasantry which still possesses some features of division in morality and different opinions about entrepreneurs that depend on entrepreneurial personality and activity — correspondence of behaviour to peasant virtues, treating co-villagers more tolerantly than outsiders etc. The Russian government granted some exclusive benefits to new rural entrepreneurs. This resulted in the exceeding inflow to this sector of the economy of those who were not engaged in agriculture before but tried to make some “fast and safe” earnings. There is no doubt how the peasantry treated those “entrepreneurs” who abandoned their allotments as soon as their bank credit was spent (very often not for agricultural purposes).

Cooperation through a collective mechanism as a traditional form of peasant economic interaction seems to retain its importance. Recent data from the Siberian experience shows, that individual rural households proved to be economically less viable and efficient than cooperative farms.<sup>40</sup> Upon getting rid of ideological control, the peasantry tend to preserve collective farms as a basis for economic activity due to the above described features. Cooperation provides a viable, highly adaptive mechanism for adjusting the Soviet type collective farmers to the new capitalist environment. This mechanism plays a similar role as it did a long time ago: it provides a high level of general trust, helped to develop new effective forms of economic cooperation, to secure steady, safe adjustment to the new capitalist environment. In no way does this mechanism prevent the individualism of peasants. Quite the opposite — it helps to create proper economic and trust relations between collective-individual parts of the countryside, provides denser norms of reciprocity and thus to secure economic efficiency and social stability.

From the time of the abolition of serfdom in 1861, the autocratic investment in the commune's preservation enforced some archaic anti-capitalist features of peasant civic culture and put the collective will over the individual peasant interest. The state support of regular land repartitions meant support for regular expropriations of large households through

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<sup>40</sup> Zemfira I. Kalugina, *The Paradoxes of Agrarian Reform in Russia. Sociological Analysis of Transformational Processes*, Novosibirsk, IEIE Press, 2000, p. 10–20.

legitimate communal procedure. The authorities needed the commune to enhance their power, in the long run reinforcement of the anti-capitalist functions of the commune created a mutually beneficial social or political contract between the state and the peasantry. It found its highest expression in the Land Decree of 27 October 1917 "which mandated egalitarian land rights, based on labour and consumer norms."<sup>41</sup>

The example from Siberian history shows that the nature of peasant communal patterns was not anti-capitalist. The Siberian peasant commune proved to be highly viable and adaptive to the market: it promoted a high level of overall trust and helped to develop effective forms of economic cooperation. Despite the Soviet time of ideological control and the social, economic changes which occurred the peasant civic culture seems to survive and has preserved some basic features such as the usage of collective efforts to minimize agricultural risk, certain traditional forms of economic interaction, dense norms of reciprocity, high level of overall trust etc. These features enable the peasantry to run their households more efficiently, provide an effective mechanism of economic adjustment to the changing environment. Hence, the traditional peasant patterns cannot be treated as "anti-capitalist". The explanation of current agricultural hardships lies in present economic and social policy rather than in cultural constraints.

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<sup>41</sup> Dorothy Atkinson, *op.cit.*, p. 15.