
FROM POST-KOLKHOZ TO OLIGARKHOZ

Alexander M. Nikulin

Centre for Agrarian Studies
Russian Academy of National Economy and State Service
Vernadsky prospect, 82, Moscow, Russia, 119571

The article analyses the materials of field studies carried out in two villages of the region of Perm, reflecting the history of post-soviet agrarian development. The successes and failures of political and economic initiatives in Russia depend on the ability to introduce new agrarian projects into the traditional foundations of life of the rural communities.

Key words: rural community, agrarian reform, oligarchs, kolkhoz, land accumulation, social conflict, family household, cooperation

The ‘oligarch’ is a catchword in the social life of modern Russia. Sometimes Russians abuse it applying to any rich Russian who does not conceal his wealth, but demonstrates it as an owner of luxurious automobiles, yachts and mansions. However, in the strict sense of the word, an oligarch differs from a merely rich or very rich person in that he dominates the political life of society [3]. The so-called Putin’s era, with its strengthening of the vertical organization of authority, is considered to be marked by a resolute fight with the oligarchs — they were required, first, to subordinate their political ambitions to the Kremlin, and, second, to channel their capital to the solution of social-economic tasks of the state policy. If they met these two basic conditions, the oligarchs were promised guarantees of inviolability for their huge property amassed in the troubled years of the shock therapy of privatization [2].

It is reasonable to distinguish between oligarchs of the national and regional levels. Oligarchs of the national level are, as a rule, dollar multi-millionaires, whose financial-industrial capital rests on the oil-and-gas and mining-and-smelting branches of industry. Oligarchs of the regional level, besides the local raw material enterprises and banks, own plants related to a wide variety of local industries. One should not underestimate the regional level — here the Shakespearian passions, connected with the fight for controlling power and property, are running high.

Throughout the 1990’s, the concepts of ‘oligarch’ and ‘rural Russia’ were considered to be incompatible. The post-soviet oligarchism emerged and rose up in Russian megalopolises and large industrial centers, and during the first post-Soviet decade it generally disdained to appear in the countryside, which was considered to be a depressed and unprofitable sphere [7]. However, since the 1998 financial crisis rural Russia saw a swift growth of gigantic agro-enterprises, financed, as a rule, by urban oligarchic structures — agro-holdings, super-big vertically integrated agro-industrial groups, sometimes controlling hundreds of thousands of hectares of land, including dozens of various enterprises with thousands of workers [11].

The reason why oligarchic agro-holdings emerged lies in the combined action of several political-economic factors. Thus, one of the consequences of the 1998 default was a sharp lowering of stimuli to import agricultural produce to Russia, and, vice versa,

a growth of stimuli towards domestic agrarian production. The following several relatively good years for crops further strengthened the interest in investing into agriculture. According to some estimates, in 2000 the oil business yielded 80% of annual interest, while the yield of the grain business was 400% [7]. It was then that the gigantic oligarchic companies in the primary sector — the Starooskol ore mining and processing enterprise, “Norilsk Nickel”, “Sibneft” (Siberian Oli) and some others — began to swiftly build their own agrarian empires. The biggest of those companies, such as “Gazprom” and “Interros”, now control hundreds of thousands of hectares of land and incorporate dozens of former kolkhozes and state farms.

The agro-holdings, certainly, were at once confronted with the problem of optimal concentration of production. The huge transport costs, bureaucratic lack of coordination in the actions of the management, slow stimulation of productive work and the overall impossibility to efficiently and effectively control the use of resources, leading to the notorious Russian stealing, — all this was fully apparent in the modern history of big Russian agrarian enterprises [6]. In the course of several years, the holdings were able to develop their own complex social-economic hierarchy with a loose organizational structure of polytypic enterprises with nontransparent attitudes to receiving and allocating profits. Many analysts believe that the 2000’s in agriculture are analogous to the competitive 1990’s in the oil and metallurgical business. It is sufficient to flick through the filings of agrarian and economic press and visit the agro-Internet sites of the recent years to find abundant information about conflicts between holdings concerning the redistribution of agro-industrial property. One will be amazed to see the scope of redistribution: fat-and-oil complexes and pig farms, poultry farms and grain elevators, kolkhozes and sovkhozes... The fate of outsiders — single post-kolkhozes, not protected by oligarchs or governors — is especially hard. Hundreds of intentional bankruptcies have already been registered (especially frequent in the fertile South of Russia).

The new big owners-investors, buying en masse the local rural enterprises, exert a great and ambiguous influence on the local rural communities. On the one hand, they often comb out management, whose leadership, as a rule, consists of rural family clans, heretofore managing the whole local enterprise in their own interests. On the other hand, today’s managers of agro-holdings are often unfamiliar with the agrarian specific character of the enterprises they manage. So, as a result, such holdings, having existed for just a few years, also get into a hard economic situation leading to bankruptcy.

The fatal weakness of Russian agro-holdings lies in that they have no roots in everyday rural life — the worlds of village households and rural communities. The gigantic North-American and West European agro-corporations have well-developed contract relations with family farms throughout the country. The Russian holdings mostly deal, like in the Soviet times, with large numbers of hired agricultural workers, receiving low wages and pilfering from the resources of big enterprises for their private subsidiary farms [10].

In the course of rural field studies, the subject of the new Russian oligarchic agro-holdings, no doubt, must be studied not only “from above” — with formal-statistical methods, but also “from below”, with qualitative methods [9]. It is here, at the level

of the region, district, village, family and individual person that the key aspects of the phenomenon of growing Russian agro-oligarchism must be observed. In my analysis I propose to apply the term *post-kolkhoz* to all the forms of agrarian enterprises, which existed before the oligarch's expansion, and the term *oligarkhoz* — to the enterprise established by the oligarch.

The post-kolkhoz is the former Soviet enterprise, legally transformed in the past fifteen years. The kolkhoz was proposed options of transformation into different kinds of shareholding companies, an agricultural co-operative, or a union of farmers. The kolkhoz was transformed and re-transformed several times, however, at the same time its social economic foundation laid in the Soviet period, which was to be not just an economic enterprise, but also a social institution of life support for the local rural community, did not change much. In spite of the post-Soviet processes of concentration and differentiation of property and land inside it, the post-kolkhoz tenaciously strived to remain an institution acting not only in economic, but also in social interests, not only in the interests of certain leaders, but also in the interests of the whole rural community. In the post-Soviet period, this aspiration mostly ended in failure; as a result, by now up to 80% of post-kolkhozes have gone bankrupt or are on the verge of bankruptcy, many post-kolkhozes have finally disintegrated with all production stopped [4]. *The oligarkhoz* is a consolidated private enterprise, formed as a result of selling the land and property of the post-kolkhoz to the oligarch. At the same time, the oligarch discovers that together with the land and property he has also acquired the social problems of the post-kolkhoz, which he cannot ignore and in solving which he will perforce have to be involved.

Now let's turn to the regional peculiarities of interconnections between the post-kolkholz and oligarkhoz and analyze the field materials collected in 2008—2010 (1) in the villages Andreyevka and Belayevka, Okhansk district, Perm region. In the past fifteen years, the mortality rate in the region, as well as in the whole of Russia, has been much higher than the birth rate. There is a dramatic aging of the population. Besides, because of the slump in production, primarily in agriculture, unemployment has considerably grown, which forces the local economically active population to migrate and often leave their villages for good in search of jobs, first of all, to big urban centers in Russia, from Perm to Moscow. The Okhansk district has a budget 80% of which is subsidized by the State [5].

Andreyevka and Belayevka are two Okhansk villages situated at a distance of 15 km from each other, with similar social-economic parameters: the area, number of inhabitants (almost 1000 people in each), social-economic problems (undeveloped social infrastructure, low wages). The landscape position of Belayevka, spread along the high bank of the wide river Kama, makes it look more picturesque than Andreyevka, situated in the basin of wooded hills at the foot of the Ural mountains; while in its social-economic situation Belayevka was obviously inferior to Andreyevka until last year. In the Soviet times on these territories they had a successfully working kolkhoz in Andreyevka and a sovkhoz in Belayevka, in the neighboring forests there were timber industry enterprises. But in the post-Soviet period, the timber enterprises ceased to be, the Andreyevka post-kolkhoz barely survived, providing jobs for the local people, and the enterprise in Belayevka went bankrupt once and for all in 2005.

Both these communities, despite all the external and internal economic difficulties, are trying to keep and develop the cultural foundations of their local life and self-organization [1]. In Andreyevka, the self-governance is effective (so far as it is possible with a budget deficit), they established a unique museum of local history; the village organizes regular historical and cultural festivities. In Belayevka, the local school teachers, in addition to their teaching duties, devote a lot of their time to extra-curricular cultural and educational activities, acting as chief activists-organizers of the local social-cultural life. In Belayevka, they have recently restored and reopened an Orthodox church. In Andreyevka, the church was totally destroyed in the Soviet times — and presently they lack the means to build a new church.

In 2007, Belayevka, as compared with Andreyevka, got an unexpected advantage. As the village stands on bank of the Kama, in the past years many summer residents from Perm bought houses there, among them an important entrepreneur, who was immediately named an oligarch by the local people. Within a short period of time this summer resident (hunt-addict) organized a reindeer farm (Siberian deer farming) in the outskirts of Belayevka, launched the construction of a hotel for forty guests to create a local tourist complex, and the key thing — having bought up from the Belayevka people all the land shares that remained after the failed sovkhos he set up a new big agricultural enterprise “Belayevka”, specializing in potato growing. Thus, in Belayevka there started appearing new jobs and good prospects for development. Moreover, some time later the owner of Belayevka made an attempt to buy up land shares in the post-kolkhoz “Andreyevka”, which increased social tension in that village. This triggered confrontation between the two neighbors — the agro-enterprise of the oligarchic holding “Belayevka” and the post-kolkhoz “Andreyevka”, which highlighted the deep-laid social-economic contradictions typical of villages in the non-chernozem belt of Russia.

On the whole, on the territory of Okhansk district, out of the former fifteen kolkhozes and sovkhoses there survived only three post-kolkhozes, and one of them is in Andreyevka. The chronicle of its preservation and possible development prospects was reconstructed from the narratives of its members and, particularly, from the interviews with its director. Since 1991, the legal-organizing form of this former kolkhoz has been changed twice. In 1994, it became a Trust Partnership, in 2006 — an Open Joint-Stock Company. What did not change was its organizational kolkhoz essence, maintained since the kolkhoz times during the past 20 years by its permanent director. The head of this enterprise became the kolkhoz director here as early as in 1989. In his actions and introspection he still remains a typically Soviet director of the kolkhoz with its main problems: technical re-equipment of the farm and concern for the people. For instance, in his interview he certainly mentioned the significance of increasing social-economic efficiency and profitability of farming, without which the enterprise is simply unable to survive in a more competitive market environment, but he was speaking about it somewhat uncertainly and less willingly than about the machinery and the people on his farm. The workers of this farm receive low wages, and even this small pay is periodically delayed. In the past years manpower drain has become more pronounced. Besides, the enterprise is too weak to widely support the local social infrastructure like in bygone days.

In the Soviet times, the village SelSovet (village council), having no financial and material resources or instruments of its own, through its decision only appealed to the kolkhoz, which actually handled the problems of all municipal improvements and functioning. Then, the kolkhoz would receive favorable credits from the State and build a school and a kindergarten, a surgery and a club; the kolkhoz also built and maintained the country roads, the water supply system and lighting. In the post-Soviet times almost all these spheres of vital economic activity were passed under the jurisdiction of the Andreyevka municipality (the kindergarten, club, roads) or the State (the school and hospital). The director had the kolkhoz in charge only of the water supply system. According to the law, its maintenance must be also passed to the municipality, but in the present economic situation it is impossible. The municipality simply does not have the means to maintain the water supply system. So for it to function, the kolkhoz continues providing its maintenance.

Besides, the post-kolkhoz also provides snow clearing on the local roads, although now this function is assigned to the municipality, too. Finally, the post-kolkhoz, when necessary, detaches motor transport to take Andreyevka schoolchildren to social and sporting events in the region, or freight transport for one-time household purposes of the villagers. In exchange for all this, the post-kolkhoz does not pay taxes on farming to the municipality budget, referring to its hard economic situation. Such a compromise in the relations between the post-kolkhoz and the municipality is achieved on the basis of personal arrangements between the two leaders. They redistribute and optimize the economic functions of sustaining the local vital functions and economy also informally. The municipality is unable to provide maintenance for the water supply system. At the same time, if the co-operative paid taxes, the municipality would probably find the funds for the upkeep of the water-pipe. However, tax payment by the kolkhoz could be fatal for its economy, balancing on the verge of bankruptcy. In case of further economic misfortunes, unemployment on the territory of Andreyevka farm will grow; and if the post-kolkhoz goes broke, the possibility of tax payments will disappear, though the Andreyevka municipality still has some faint hopes of collecting taxes.

In the same way as Andreyevka households were deeply integrated in the kolkhoz economy, they are also actively involved in the economy of the post-kolkhoz. Thus, for many years private farmers in Andreyevka have not mown grass, it has been done for them by the post-kolkhoz, which lays in both hay and fodder for the family households, delivers it to their houses at moderately reduced prices, partially against the family shares leased by the enterprise. The households buy calves for themselves in the post-kolkhoz. Needless to say, in spring the vegetable gardens adjoining the farm-houses are cultivated by co-operative tractors free of charge, again on account of the land shares. Finally, in case of emergency, Andreyevka families turn to the head of the co-operative, who explains the essence of such urgent help with the following characteristic example: *“If something happens, if somebody is in distress, we go to see the director. In the co-operative he has both the power-saw bench and woodwork. If someone dies, they won’t go to Okhansk to get a coffin, will they? It’s too expensive there. We can make a coffin here — quickly and cheaply”*.

However, the relations between the post-kolkhoz and the households are not so idealistic. There is one drastic change which happened in the post-Soviet times: the lands of the kolkhoz were divided into land shares of the former kolkhoz workers. In Andreyevka, the size of the share per person is 7.6 hectares. The post-kolkhoz leases this land from Andreyevka residents for a price which is symbolical today — 500 rubles (20 US dollars) per year, and renders a number of services to Andreyevka residents at moderately reduced prices. But on the whole a family in Andreyevka cannot subsist on the incomings from such a lease. Andreyevka people go to work in the post-kolkhoz, and there the wages are low, from 2 to 6 thousand rubles a month and even those are sometimes delayed. So then, Andreyevka residents, applying themselves to their subsidiary farmsteads, as traditionally as in the kolkhoz times, quietly pilfer from the post-kolkhoz what they need in their households.

The director of the post-kolkhoz admits that this problem exists, but he actually shuts his eyes to it, stating that since Soviet times the number of workers in the co-operative has decreased, and as the population of Andreyevka has aged on the whole, they work less on their private farms — this is why there is not as much pilfering from the post-kolkhoz as there used to be in the kolkhoz. The significance of informal, non-legalized relations between the co-operative and the households has generally grown, which was specially underlined by the director in his argumentation. When he was speaking about the State, it was obvious that though officially he was the head of a private co-operative enterprise, in reality he was a leader who saw his direct involvement in solving the goals of the State. In his speech he often mentioned the topic of national interests, which were also taken into consideration by his post-kolkhoz. These national interests consist in both agricultural production and in preserving jobs in Andreyevka and in the overall support of the local village infrastructure and culture. Unfortunately, he admits, his enterprise is struggling to cope with all these tasks.

The director explains the reasons for this hard situation largely by a very indistinct state policy. Typical here was his lamentation about the price discrepancy between the rural and urban produce and his remark about the insufficiency of subsidies to Russian agriculture, as compared, for instance, with the level of subsidies in the countries of the European Union. But also traditionally he pinned his hopes on the State for supporting technical modernization: *“Our first big misfortune is that machinery wear is very high, 80% of equipment wear, because we are still working on the equipment of the Soviet Union... Only in the past 2 years things have started changing. Last year we received two new combine harvesters. A refrigerator for milk cooling, a milk-pipe. We are here working with the State on the basis of co-financing... We still have skilled workers... On the farms elsewhere, new machinery has arrived — but they have no qualified people left. We still have the people, and they will work”*.

The director underlines that although today there are certain state programs of supporting agricultural education of the youth or building country housing for young families, implemented on the principle of co-financing, these programs are implemented with difficulty. On the one hand, young people prefer to leave for cities; on the other hand, the rural population and enterprises are so poor that often they cannot find the neces-

sary funds to co-finance with the State education of the young people and building housing for them.

The director is concerned about still another area of today's state policy in supporting the village, that is the support given to mostly very big and super-big agro-producers. Thus, in the region of Perm, investments from the State, first of all, go to the reconstruction and development of big and super-big cattle-breeding farms. According to state criteria, the dairy farms in the Andreyevka post-kolkhoz are not big enough. The director admits that on the whole his post-kolkhoz does not have much capital, while the State is trying to establish partnership relations with those who have their own solid financial base. But in the village the vast majority of enterprises have no such base, so this is why the State comes to the village together with various city companies, wishing to invest their resources into agriculture. Such companies are perceived as oligarchic investors aspiring to radically make over the life in the country, subordinating it to the control of urban financial oligarchy.

The expansion of urban oligarchs into rural areas, undoubtedly, gives concern to the director. In neighboring Belayevka, an oligarch from Perm who first came to have a rest, soon decided to take up agriculture; he started buying en masse land shares, as it appeared, not only from Belayevka residents, but also in other villages in the neighborhood, including the people in Andreyevka. It was all done secretly. When this organized buying up of Andreyevka lands was discovered, the oligarch was invited to both a meeting of the post-kolkhoz workers, and to the meeting of Andreyevka people, but he declined the proposal to meet. In this situation the post-kolkhoz with the support of the municipality acted with determination. It was announced that those who sold their land shares could not expect the post-kolkhoz to give any kind of help with their subsidiary farms: their vegetable gardens will not be plowed, hay will not be laid in or delivered, and firewood for the winter will not be supplied.

When an Andreyevka housewife, who sold her land share, tried to make a personal arrangement with the tractor driver, asking him to plow her vegetable garden, the tractor driver, in solidarity with the co-operative villagers, replied bluntly: *"Ask the one to whom you sold your share to work your land!"* The appeal to solidarity inside the village co-operative, backed by ostracism towards the families who had sold their land shares, produced an effect. Andreyevka people stopped selling their shares to the oligarch in Belayevka. Nevertheless, the concern about securing independence of the kolkhoz in the face of the expansion of possible agro-oligarchs seems to be one of the biggest anxieties of the director and his fellow-villagers. To understand what this concern is based on, we will turn to the analysis of the activities of the Belayevka oligarch who settled down in the vicinity of their farm-land.

The oligarch in Belayevka did not only build a house for himself, start breeding deer, build a hotel and buy up thousands of hectares of neighboring lands. Soon, he also began to actively lobby means and resources for social-economic development of the local community, for instance, by obtaining a decision to lay a gas pipe-line to Belayevka, by financing capital repairs of the local school and the church.

The oligarch agreed to a long interview, in which he quite frankly analyzed the areas and problems of his farming activities. One must admit that, despite his clearly

technocratic background of an engineer-chemist and owner of a big chemical-electronic production in Perm, the oligarch appeared to have a sincere social-anthropological interest in figuring out the rural processes around him. This was why he started the interview not with the economic-technocratic, but with the social and cultural problems, which confronted him in Belayevka.

So, it turned out that many people in Belayevka gave a distrustful, even hostile welcome to the oligarch's economic-technocratic activity. In the opinion of the oligarch himself, the reason for this was that after the collapse and disappearance of the sovkhos the local population lapsed into a sort of involution of natural economy, mainly connected with working the local vegetable gardens, beekeeping, hunting and fishing.

Belayevka villagers easily let him have their land shares for a symbolical price (1 land share of 7 hectares for 7 thousand rubles, i.e. for about 250 US dollars), but they often persistently opposed the new production technologies brought along by the oligarch. Thus, when he started to industrially plow and chemically fertilize the fields, it triggered a series of protests from the local people, who started writing to the district Office of the Procurator and the local newspaper making complaints against the oligarch that he, for example, poisoned the population and their bees by spraying fertilizers over potato fields. The oligarch gave this description of this confrontation that developed from the very start: *"Many people here have formed a certain life style of living in the forest. They go to the woods, they keep bees. When we arrive here with an active production cycle, to some extent we disrupt their social rhythm. Now they cannot already wander in the fields and ride as they please, because the fields are ours... We begin plowing the young forest with which the fields are overgrown, but there are mushrooms there. This again puts them into a negative frame of mind. You understand, modern agriculture is impossible without chemicals, in principle... and we have met with a lot of negative emotions in this respect. We have had inspections already following their anonymous letters, and the Office of the Procurator has already opened a case against us"*.

With his words the oligarch was actually describing the use against him of the so-called "weapons of the weak", connected with spreading gossip, complaints and threats aimed at the strong. The oligarch fairly believes that this is a traditionally proven, since the time of the tsar, opposition method of the Russian village. But he did not become embittered; on the contrary, he tried even harder to rouse the villagers' interest in co-operation. And at that point the oligarch discovered that his enterprise willy-nilly started fulfilling the same kolkhoz functions related to the upkeep of the village infrastructure and social sphere: *"If in town, where I have a big company, I can completely put aside the social structure, because there municipal taxes are collected and it is possible to hire workers from other places, in the village there is no such situation. Here it turns out that the social infrastructure is the responsibility of the enterprise anyway... And my social function is continuously growing... Now we are restoring the church, we have spent a lot of money on the church. We've been very actively looking for a priest and, finally, found one — we'll have our own parson. I, a hardened agnostic, spent one whole year in search of an Orthodox priest for Belayevka"*.

One of the reasons for such big humanitarian help to the local community is that the community itself has long been in a deep depression. By official statistics, the population of Belayevka is 900 people, but in reality about 600 people live here permanently. Out of the remaining 600 people in Belayevka, there are 270 pensioners and 110 children. That is, only about 200 people are actually able to work. And among these two hundred people, about one hundred men are full-fledged marginal alcoholics. Out of the remaining one hundred people, several dozen (mostly women) work at the school, and another two dozen (mostly women) work at the local administration, medical station, post-office, pharmacy and two small shops. Not more than 60 local workers remain for the swiftly developing agrarian enterprise of the oligarch. Among them 20 people also have very serious drinking problems. The same as at the neighboring agrarian enterprise in Andreyevka, the oligarch faced a considerable shortage of qualified labor. This is why, in the village environment, the oligarch has to be engaged in improving interaction with the families of his workers.

The interaction with the family economies had to be started by the oligarch from repairing the school and building housing to attract key specialists from his potato holding — agronomists, engineers and machine-operators. Because of the over-year decrease of the number of pupils, the school in Belayevka was on the verge of closing down, given the national standards of the number of pupils per village school. Besides, the school heating system, which had not been repaired since the Soviet times, consumes much energy in frosty Perm winters. As a result, the cost of teaching one pupil at the Belayevka school is almost two times higher than the regional standard. When the governor of Perm region visited these parts, he advised to lower the costs per pupil by no less than 30% to keep the school open. The oligarch took to the task of implementing his plan of saving the school in the following way: *“How can you lower the costs per pupil in a village school? To make new children, which is unreal? Although two families of specialists with children of school age have already arrived to work here; but this, certainly, is not enough... Then you bear new costs, reconstruct the school boiler-room and make capital repairs of the school heating system. In this way you save millions of school rubles a year, thus decreasing the costs per one pupil. Then you show the positive trend to the governor, and the school remains in the village”*. If there is a school in the village, it will be possible to attract here new workers with their families. The oligarch promises a school for the children and housing for the families to married specialists.

On the other hand, the oligarch does not try to support the opportunities for developing personal subsidiary plots (PSP). The PSP is perceived by him as a competitor to his production, so he tries peacefully and comfortably for the families to prevent family work on PSPs: *“Frankly, the fewer personal subsidiary plots in the village, the better for me... because, for example, the cycle of peak agrarian tension overlaps in my company and in PSP. I need workers with a 12-hour or more working days especially in August — September, but they also need to be in their vegetable gardens at that time. Last year we gave potatoes to them — take as much as you want — so that they wouldn't plant their own potatoes and dig with a spade in the vegetable garden.*

In this way I try to turn the people away from their subsidiary farming, so that they would work on my farm”.

But wherefrom did this oligarch get so much money that he can afford to plow up anew thousands of hectares of land with the newest imported machines, to reconstruct the school and the church, to handle professional retraining of workers and children in the village, to sponsor the construction of a highway and a gas pipe line to Belayevka? The matter is that the oligarch invests into most of these projects not his own money, but the money of the State. Thus, the construction of the gas pipeline and the concrete road is carried out exclusively at the expense of the State financing. Through the region deputies, the oligarch only just prompted to the State that a gas pipe line and a road must be built first of all for Belayevka. At the same time he does not really conceal his skeptically-ironical attitude to the Russian State, stressing that he would not wish to deal with it at all: *“...unfortunately, the infrastructure investments into agriculture in the non-chernozem area are so high, that if you do not have the support of the State, the agrarian project will never repay”.*

In the opinion of the oligarch, the present-day government and local government in Russia are in many respects the same Soviet power in terms of mentality, actions and effectiveness. And though the State tries in every way to establish partnership with big business, the oligarch does not trust the State, and he explains why: *“We have a proverb in Russia: ‘Don’t fight with the mighty, don’t be at law with the wealthy’. It is the same about the State. In all the situations where we have the so-called partnership — the State comes into play and wins. All this partnership... — it is a kind of a trap for big business, to take away its money. But as in Belayevka we have nothing yet that could be taken away ... the officials meanwhile send proposals to me: ‘Please, put your signature to this document that next year you will plow another thousand of hectares...’ It seems as if they were passing down Soviet plans to me. And I try not to sign to it...”*

However, the oligarch does have to sign the State plans. The State, following his advice (through deputies), in the past two years has invested into Belayevka 100 million rubles (4 million US dollars). It relies on the oligarch as a business-manager, ensuring the implementation of the regional program of developing farming. At the same time, according to the oligarch, the State says: *“You will get more money, but in return you must write a 10-year program of your development. And indicate there how many fields you will plow, what harvests you will gather in, how many people will work for you, and how much money you will give to the State”.* The oligarch and his team wrote it in full detail and signed it. And immediately after that, in the fields of Belayevka officials began monthly inspections. As soon as they discover that the plans on plowing or potato crops have not been fulfilled, they threaten to freeze financing and even take away the already allocated money. The oligarch has to vindicate himself, to explain that potato growing (like any other agricultural crop) is far from predictable. On the whole the oligarch admits that, after all, it is possible to come to an agreement and adjust the plans, but to do it one has to go to see the officials, to weep before them, to tell them everything and make promises.

The oligarch's plans are not restricted to reviving the post-kolkhoz fields in Belayevka. He does not conceal his further ambitions and is seeking for ways to join the adjacent lands of the post-kolkhoz to his enterprise. With special respect, but at the same time with annoyance, he singled out the villages having stronger solidarity among family members and relatives, and inside the co-operative, resulting in a better preserved local agrarian economy. It is more difficult for the oligarch to hold talks with these villages about joining his enterprise, but he expects to get a considerable effect in terms of labor and economic efficiency. The oligarch's favorite project is development of tourism: deer hunting, fishing, winter skiing and riding snowmobiles on the Ural hills in the vicinity.

It must be noted that after two years of distrust, the rural community of Belayevka on the whole is beginning to show more respect for the oligarch due to his not only purely economic, but also socially beneficial innovations. At present, the pro-oligarch sentiments are getting stronger, while the anti-oligarch critique is decreasing. At the same time, the oligarch is increasingly compelled to occupy himself not with economic matters, in the Western sense of the word, but with the economy in the Russian sense, where the term 'hoziastvo' denotes the totality of social relationships, and not just narrow economic ties. So, in this case the oligarch finds himself in another Russian "khoz", where he is a kind of a demiurge — intermediary between the rural communities (above whom he rises like their patron); and concurrently he becomes an authorized and accountable agent of the State. Through the oligarch the State invests its funds into the development of the village, simultaneously inspecting and controlling him. This is how the newest agrarian institution, the oligarkhoz, is developing and taking shape, inheriting the Soviet tradition of the kolkhoz and post-kolkhoz.

In conclusion, we will give a short analytical account of the similarities and differences between the post-kolkhoz and oligarkhoz.

Differences. The post-kolkhoz is based on a conglomeration of property rights and non-formal relations, and the oligarkhoz aims to establish a unified system of private property on the basis of clearly defined legal regulations. The post-kolkhoz seeks to support the social-economic and cultural symbiosis of the agrarian enterprise and family households. The oligarkhoz seeks to eliminate the personal subsidiary plots economy, vividly showing its dependence on the agrarian enterprise, and in perspective — how unprofitable it is for the workers of the agro-enterprise. While the post-kolkhoz lives remembering the past, the oligarkhoz lives making projects for the future. The post-kolkhoz perceives itself as a respectful servant and a subject of the State, fulfilling traditionally important duties for the State and expecting in return care and protection from its sovereign. The oligarkhoz considers itself to be a partner of the State, has no respect for its partner, only the rational knowledge that the State is a stern bureaucratic force with which one must be able to come to an agreement. The State is more interested in co-operating with the oligarkhoz than with the post-kolkhoz, believing that the oligarkhoz has its own resources and efficient management to participate in implementing the national agrarian policy.

Similarities. The rural communities of Andreyevka (the post-kolkhoz) and Belayevka (the oligarkhoz) are weak and low-pushing, their official representatives —

the bodies of local government — are in fact powerless in their actions because of the chronic total budget deficit. But the village community of the post-kolkhoz shows greater conscious independence and solidarity due to its co-operative involvement in the post-kolkhoz. The village community of the oligarkhoz is independent only in using hidden transcripts of ‘weapons of the weak’. The post-kolkhoz and the oligarkhoz seek to take care of the village community, backing its social infrastructure, education and culture, without which the very process of agrarian reproduction of these enterprises will be impossible. On the whole, both the post-kolkhoz and the oligarkhoz remain dependent on the unpredictable will of state bureaucracy.

What are the overall prospects of transforming rural Russia from post-kolkhozes into oligarkhozes? It is certainly impossible to judge about the prospects of rural Russia on the basis of just one case presented here. First and foremost, it is necessary to consider the regional factor speaking about such a vast country as Russia. The presented case demonstrates the problem in the Northern non-chernozem (non-fertile) area, which is generally a chronically depressed agrarian region, under-urbanized and depopularized. In this region the significance of state dirigisme in agriculture is especially high. The Central-chernozem and Southern-Russia fertile regions are marked with a high level of urbanization, as well as a more dense agrarian population. So there the rural communities are relatively “more full-blooded”, but in the Southern fertile territories market competition is stronger and harder not only between post-kolkhozes and oligarkhozes, but also between the oligarkhozes themselves. On the whole, in each region the local agro-bureaucratic policy is of tremendous importance.

NOTES

- [1] The author expresses his deep gratitude to his colleagues M. Amelina, P. Lindner, E. Moser and E. Nikulina for their help and support within the joint field work in the rural areas of the Perm region in the year 2008. The 2010 research work was conducted as a part of the sociological project “Paradoxes of socio-economic differentiation in the rural Russia” supported and funded by the Rosa Luxemburg Foundation.

REFERENCES

- [1] *Amelina M., Beuermann D., Wade I.* Decentralization in Rural Russia: Effectiveness of Reforms // Europe and Central Asia. Knowledge in Brief. — World Bank. — 2010. — Vol. 31.
- [2] *Guriev S., Rachinsky A.* ‘Russian Oligarchs: A Quantitative Assessment’ // Beyond Transition. — 2004. — N 15(1). — P. 4—5.
- [3] *Hoffman D.* The Oligarchs: Wealth and Power in the New Russia. — New York: Public Affairs, 2002.
- [4] *Lindner P.* Der Kolchoz-Archipel im Privatisierungsprozess: Wege und Umwege der russischen Landwirtschaft in die globale Marktgesellschaft. — Bielefeld, 2008.
- [5] *Lindner P., Moser E.* (De-) Centralizing Rural Russia: Local Self-Governance and the “Power Vertical” // Geographische Rundschau International Edition. — 2009.
- [6] *Nikulin A.* Kuban Kolkhoz between a Holding and a Hacienda: Contradictions of Post-Soviet Rural Development. — Focaal. — 2003. — Vol. 41.
- [7] *O’Brien D.J., Patsiorkovski V.V.* Measuring Social and Economic Change in Rural Russia. — Lanham, MD: Lexington Books. — 2006.

- [8] *Serova E.* Public Opinion on Russian Agrarian Reforms // *Problems of Economic Transition*. — 2001. — Vol. 44. — N 5. — P. 51—77.
- [9] *Visser O.* Crucial Connections: The Persistence of Large Farm Enterprises in Russia. — PhD dissertation. — 2009.
- [10] *Nikulin A.* Novejšhaja gigantomanija // *Politicheskij Jurnal*. — 2005. — N 12. — P. 56—59.
- [11] *Uzun V.Ja., Zorina N.A.* Rejtingi naibolee krupnyh i effektivnyh proizvoditelej sel'skochozjajstvennoj produkcii v Rossii. — M., 2001.

ОТ ПОСТКОЛХОЗА К ОЛИГАРХОЗУ

А.М. Никулин

Центр аграрных исследований
Российская академия народного хозяйства и государственной службы
Просп. Вернадского, 82, Москва, Россия, 119571

В статье анализируются материалы двух полевых исследований в селах Пермского края, отражающие историю постсоветского аграрного развития. Успех и неудачи политических и экономических преобразований в России зависят от способности укоренять новые аграрные проекты в традиционные основания жизни сельских сообществ.

Ключевые слова: сельское сообщество, аграрная реформа, олигархи, колхоз, земельная аккумуляция, социальный конфликт, семейное домохозяйство, кооперация.