TITLE: CONDITIONS IN THE RUSSIAN OUT-BACK: IN THREE PARTS

1. The Causes and Consequences of Decline in a Remote Village in the Russian Far East
2. Seeking a Higher Authority: Itel'mens of Kamchatka Appeal to the United Nations

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CONDITIONS IN THE RUSSIAN OUT-BACK: IN THREE PARTS

1. The Causes and Consequences of Decline in a Remote Village of the Russian Far East

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Summary and Prospects

The Itel'men people of Kamchatka are suffering from both blatant and more subtle forms of discrimination in their attempts to weather the years of political uncertainty in Russia. The main hope for improvement of their political status is structural change at higher levels, villagers' recognition and understanding of their rights, and resolution of internal political strife. This will probably only be accomplished if a central meeting point, a new clubhouse, is built and its former activities resumed and other forms of communication are improved. In the meantime, American aid that was given last year proved critical in helping the village survive the winter. Contributions again of butter, meat, vegetables and candles would greatly aid the villagers through another long winter during Russia's turmoil.

Introduction

Near some of the richest hunting grounds, fantastic salmon fishing, and the best crab in Russia, the native villages of central Kamchatka are reeling from the direct and indirect consequences of political ambiguity, indiscriminate privatization, economic decline and the withdrawal of state support. This report describes the manner in which infrastructure is collapsing in one village in particular, though many of the conditions described are common throughout much of rural Russia, especially in small native villages. The major problems are: the collapse of support for the economic infrastructure on which villagers, in soviet-constructed villages, are dependent, indifference at higher levels of authority, and internal strife within the villages. These villages most need support for communications infrastructure (meeting places, telephones, postal system, and transportation) that will make it possible for villagers and administrators to work together and keep up with the rapid changes taking place in society at large.

A Soviet-built native village

Kovran is a village of about 500 people, 80% of whom are Itel'mens, the indigenous people of central and southern Kamchatka. Kovran was established in the late 1950s downstream from the site of a tiny Itel'men village, Verkhny Kovran. The modern village was
quickly populated when neighboring Itel'men villages were closed and their inhabitants moved in order to collectivize the workforce into the kolkhoz "Red October." Since that time a school, boarding school (internat), daycare center, clubhouse (dom kultury), hospital, bathhouse (banya), a considerable amount of housing, a dairy and an oil-driven electric generating station were built.

Transportation to the region remains difficult and has become increasingly expensive. There is no road to west Kamchatka and ground transportation consists of dogsled and snowmobile in winter and tractor, vezdekhod (tank-like vehicle) and horse in summer. Barges travel up the coast of the Sea of Okhotsk during the summer (June - September) and regularly take a few passengers. Helicopter flights, once common from all directions, are expensive after privatization and are now rare to the small native villages. Although passengers are sometimes still taken free of charge between villages, pilots have begun charging for this. Much of the Soviet-designed infrastructure of the village is dependent on transport of coal, oil, equipment, building supplies, food and mail. The deterioration of the road from Ust Khairiuzovo, the loss of regular helicopter flights, and the general loss of government support has made the upkeep of that infrastructure impossible.

The principle economic resources for the region are fishing and hunting. Many of the residents of Kovran were employed by the kolkhoz; some worked at sea, others worked in the village. Most employees of the kolkhoz remain on the rolls and show up regularly for work, but their pay is low and irregular. They went six months last year without pay and then received a lump sum of 300,000 rubles ($150).

Some of the people of Kovran earn salaries from institutional jobs, staffing activities in the various buildings constructed in the creation of the village. That is, they are, or were, teachers, projectionists, nurses, etc. Much of the decline in recent years has been through a failure to maintain the institutions that were part of the plan of organization of the village. The effects of this lack of maintenance have been compounded by the breakdown of relations between once cooperating institutions—school, hospital, kindergarten, and village administration.

Social life: the destruction of the clubhouse and the rise of factionalism

In 1991 the village's clubhouse burned to the ground. It was the center of village social life, a place where people met regularly and where village holiday festivities were performed.

1 The term "kolkhoz" is usually translated as collective farm, but in this case farming constituted only a tiny fraction of the kolkhoz's activities.
With its demise, individuals and families have become more isolated, mistrust and drinking have increased, and internal strife has grown. When the club existed, people gathered for the showing of films, to play billiards or dominoes or just to talk. People came to check out books from a well-stocked library, it housed musical instruments and it was the place where the local dance troupe rehearsed and held performances. Thus, in addition to planned and organized functions, it facilitated bringing people together on a day-to-day basis and regular gatherings helped to smooth over the conflicts and differences of opinion that often developed in the course of daily life. To some extent, its entertainment function had been taken over by television, but it remained the center of cultural life and has been sorely missed, especially by the elderly. In its absence, gossip has replaced conversation, watching out for oneself has replaced party-organized cooperation and intravillage envy has replaced village pride.

Privatization has meant that individuals or families have taken over what was once common property: hunting territory, fishing sites and quotas, etc. Without means for day-to-day communication, villagers tend to see this privatization as selfish, threatening or outright thievery. Lacking a central meeting point families have more and more tended to stick to themselves and the town has become rife with intravillage conflict.

There has been no attempt to rebuild the clubhouse and plans to convert another building have been thwarted by the internal tensions in the village. Plans of a German ethnographer and Munich-based Itel'men artist to build a half-million dollar ethnocultural center in the village with funds from the German government have not been and probably will not be realized.

End of electricity - intervillage politics of the kolkhoz

In March of 1993 the village's electric generating station broke down. The workers of the kolkhoz who were in charge of the station said that a new part was needed. Since that point in time, in 1993, the kolkhoz has been unable to fix the generator adequately. Through the summer of 1993 electricity was produced randomly, lasting anywhere from an hour to four hours at a time on either the "left" or the "right" side of the village. In the fall it was regularized to a schedule of about 5 hours per day and stayed that way roughly until the generator broke down again in February of 1994. Since then most of the village has been virtually without electricity. Fuel comes from Ust Khairiuzovo which receives it by ship during summer months. Fuel supplies run down during the winter without possibility for replenishment. This past winter, even when the generator was working properly, the kolkhoz often claimed that there was no fuel. During the summer of 1994 fuel was allotted to operate the generating station for six hours per day on the power line needed to run the kolkhoz's milking machines and for two hours on each of the other two lines serving villagers.
Most homes were built with wood-burning stoves meaning that despite the lack of electricity people have been able to cook to the extent that they have been able to obtain firewood. The most severe consequence of the shortage of electricity has been darkness. Candles were not available in stores in Kamchatka for most of 1993-1994 and villagers scrambled to obtain lanterns and kerosene to fuel them. Others made do with dangerous substitutes. An apartment building with 4 apartments burned to the ground in December when a drunken man fell asleep after having placed a makeshift oil lamp too near curtains. Another fire occurred for what were rumored to be the same reasons, though the official fire inspection report said that the fire was started when the fumes from a snowmobile battery—used for lighting—were ignited.

The kolkhoz’s descendant corporation, Kamkrabvest, claims the electric generating station as its property and maintains control over it. Though the kolkhoz was founded in Kovran, the company is based now in the Russian village of Ust Khairiuzovo. With considerable debt and the potential of bankruptcy to worry about, its managers have little interest in sustaining its traditional obligation to support Kovran’s social and economic infrastructure.

Decline of the food supply: bakery, dairy and local store

In the past, consumer goods such as bread and store products were reliably, if not always plentifully, supplied by the once government-run bakery and store. Both remain under control of the now privatized "Rybkoop." The bakery in Kovran closed periodically last fall because of a shortage of firewood. It was closed permanently in January citing both the shortage of firewood and its "unprofitability." The dairy, on the other hand, has been running continuously and it provides milk for the school and daycare center. A regular quota of milk is delivered to the Russian village of Ust Khairiuzovo and surplus milk is sold in Kovran when available. During the past year there was frequently none available for Kovran villagers. During the winter, the village store never entirely ran out of the most basic carbohydrate foods of either rice or pasta. Variety, however, consisted of three different kinds of noodles. There was also a consistent supply of non-necessary goods such as chocolate and cigarettes. The local diet was in part saved by American foreign-aid butter. Though people were a long time in getting used to having salt in their butter, it was an important contribution to a diet that requires oil and fat for the winter. Without the butter, life in the village would have been considerably poorer (there would have been a basic calorie shortage). During the year there were threats to close the store or sell it to a local merchant, again because it was said to be unprofitable for its current owner.
Lack of transportation and isolation

At the same time that services have been cut in the village, it has become more difficult to seek help and goods outside the village. Until this year, the kolkhoz ran a truck between Ust Khairiuzovo and Kovran daily, which carried produce and about 20 passengers back and forth between the two villages. Only about two months in the year, in November and late April when slush is at a maximum, was the truck usually unable to pass. This year the truck ran sporadically until the beginning of December and then quit. Villagers without their own form of transportation were left either not to travel or to hitch rides on tractors, snowmobiles and dogsleds.

Longer trips have become even more difficult. The costs for airline tickets to Petropavlovsk or out of Kamchatka have doubled during the last 6 months, becoming significantly more expensive even in real dollar terms. This has meant that not only have people not been able to buy what they are used to in the stores, they are no longer able to travel to obtain unavailable necessities.

Isolation is also exacerbated by the unreliability and slowness of the mail service, the frustrating inadequacy of telephones and the cutoff of television news caused by lack of electricity.

Decreasing access to natural resources:

With privatization, the government has begun to expand licensing, policing and other measures to prevent over-exploitation of natural resources by individuals and private corporations. These measures have affected primarily incautious Russians who have been caught doing business as usual, small businesses that are, because of their officially organized status, constantly open to inspection, and native peoples who are restricted to annually decreasing personal quotas. They have had much less effect on large and international business operations.

Armed enforcement of fishing policy-

This year a special armed division of the national militsia (police) was sent out to police salmon fishing on the rivers of Kamchatka. Wearing camouflage army fatigues, sporting the insignia "Omon" (pronounced ah-MON, an acronym for "Special Armed Police Unit"), and bearing automatic pistols, these "fish cops" fanned out into river valleys all over Kamchatka. Villagers were forewarned that they would be coming. A few began to fish upstream near previously untouched spawning grounds to avoid being

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1The price for the hour-long flight on a small Yak-40 jet is about $85 with a 20kg limit on luggage and a surcharge of 1% of ticket price on each kg over the limit.
slapped with a fine. They were thus fishing in environmentally sensitive areas that they would otherwise have avoided had it not been for the police threat. Native peoples, by the Russian constitution, have the right to fish but the agency responsible for distributing fishing licenses and assigning quotas was late in making the permits available. Villagers did not know what rights they had and could not afford to risk the stiff fines (125,000 rubles for catching, without proper license, one king salmon).

The men hired to work for the Omon are mostly in their early 20s. Many have been seen drunk for days on end after arriving at their posts in small, remote villages. In Kovran, they drew immediate scorn for taking down the fishing nets of the town’s pensioners. In another village a lone young man was rarely sober enough to tend to his duties.

*Taxes on collecting and gathering*

An attempt at governmental control was also made over land resources. In June, 1994 a notice was posted outside the village store stating the rate of taxation on plant and animal materials gathered from the forests and tundra. The taxes for these materials varied in relation to distance from the village of the gathering site. Such staples as berries and mushrooms, and necessities such as firewood and hay were included on the list and were to be taxed in cash, not in kind. The notice was signed by the central administration of Tigilsky Raion, and according to the cover letter, the regulations were developed by a committee appointed to regulate implementation of federal environmental protection laws. These regulations were distributed to other villages in the Raion, but only in Kovran, the only Itel’men village, did the village administration deem it necessary to post them. Others felt that the idea was too impractical, too draconian and too absurd to be taken seriously. By August of 1994 no attempt had been made to implement the tax, but it had contributed to the general feeling of hopelessness among the village population. With most people either out of work or working at a job for which they received no pay, they felt that virtually all means by which they could support themselves were being taken away.

*Positive signs of economic development*

The Russian government and local governments have attempted to keep teachers’, doctors’, and government administrators’ salaries roughly up with inflation. As more and more goods have spiraled toward world-market prices, even these rising wages have become less and less meaningful. Nevertheless, teachers and doctors can afford to live on the salaries that they earn. Gradually they are becoming able to make small purchases of consumer goods that come from outside the spheres of the former Soviet productive exchange network. Apples from China or New Zealand, coffee from Brazil, clothing from Taiwan and China are ever more regularly making their way to the village. They are priced near, sometimes above, what they
would be in the U.S. or Europe (New Zealand apples were, for example, priced at 6,000 rubles per kilo, $1.38/pound) and are purchased in small quantities as special treats. While kolkhoz workers and others who have had little or no salary are falling into ever more entrenched poverty, some individuals are able to tap into a slowly increasing supply of goods priced at world market rates. This has meant that there is a basis for a few more-or-less honest merchants to begin to make a good living and provide increasingly reliable supplies of a widening variety of goods. During the past year, three small entrepreneurial groups attempted to open stores in the village. Because of the difficulty of transport, they have been unable to maintain stock and one store has already closed permanently. Nevertheless, individual entrepreneurs are facilitating the transport of goods to the village and may eventually find it to be profitable to do so. Gradually, a few people are able to buy more goods at international retail prices (that is, roughly equivalent to what one would pay in the US, Japan or Europe) and a few are able to make profits from the sales.

The Economics and Politics of Alcohol

Even the most well-meaning and helpful merchants, however, sell alcoholic beverages which are undeniably a detriment to village life. High profitability and a reliable market make alcohol, along with tobacco, a staple of local sales and a foundation of profitability. The cultural significance of alcohol and social mechanisms of celebratory drinking that Russian culture has shared with communities all over the Russian north create widening circles of alcoholism. This combined with the despair of increasing poverty, and the heightened impact of the dark, cold, long winters has created a situation in which many are requesting dangerous surgical implants in order to break the bonds of the drinking habit.

Conflicting Levels of Administration, Governor’s call to Moscow

Kovran has fallen into a situation of extreme administrative negligence and political isolation. The primary political cause of this isolation is the independence of the Koryak Autonomous Okrug (region) from Kamchatka Oblast’ (province). As an autonomous Okrug the northern region of Kamchatka has its own federal budget and own mandate to implement federal laws. The intentions in creating an autonomous region were good. Kamchatka Oblast’ is heavily dominated by Petropavlovsk, the capital and major population center of the peninsula (population 300,000). Autonomy meant that decisions pertaining to northern Kamchatka would not be made by an urban center that does not understand the conditions under which northern villagers and native peoples live. For the Itel’men people, however, the overwhelming predominance of Koryaks and Russians in the Okrug has meant that the Itel’mens have had relatively little voice at the Okrug level. Recently, efforts by the leader of the cultural revival movement to create an autonomous village (natsionalnoe selo) have alienated the leaders in the
capital, Palana. At the same time, many of the executive and administrative duties at the district and regional levels overlap. Administrative heads for major village institutions, the school, hospital, daycare center, and even the village council, are all based in the district capital, Tigil'. Yet their budgets come from Palana. When asked to provide help or services, the offices in Tigil' often say that they have no money because Palana is holding back. Appeals directly to Palana get the response that institutions should appeal directly to their administrative heads in Tigil'. If neither end wants to be helpful, they can avoid being so by blaming the other. While the governor of Kamchatka, Biriukov, is willing to help, his hands are tied because he has no budget for that region. Kovran falls politically in his domain, but not administratively. He may institute a commission to help, but he has recently been called to Moscow and it is not clear that his replacement, a former chief of fishing resource management, will have the same sympathies toward Kovran and the Itel'men people.

Summary and Thoughts on Prospects:

The Itel'men people of Kamchatka are suffering from both blatant and more subtle forms of discrimination in their attempts to weather the years of political uncertainty in Russia. The main hope for improvement of their political status is structural change at higher levels, villagers' recognition and understanding of their rights, and resolution of internal political strife. This will probably only be accomplished if a central meeting point, a new clubhouse, is built and its former activities resumed and other forms of communication are improved. In the meantime, American aid that was given last year proved critical in helping the village survive the winter. Contributions again of butter, meat, vegetables and candles would greatly aid the villagers through another long winter during Russia's turmoil.
2. Seeking a Higher Authority: 
Itel’mens of Kamchatka Appeal to the United Nations

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Summary
In October of 1993 a group of people in the Itel’men village of Kovran, Russia decided to write a letter of grievance not to the usual local and regional, higher bureaucratic authorities, but to the United Nations. With conditions in the village rapidly worsening, they felt that their entreaties in their native Kamchatka were having no effect. Political instability had become such that every appeal to higher authorities brought promises, frustration and no results. Electrical power in the village, once provided 24 hours per day, was most of the time out, sufficient coal for the winter was still lacking, shortages of firewood were everywhere, bread was produced and available irregularly and unreliably, goods in the store were minimal, prices were rising, and transportation to and from the village was almost impossible. The group decided that in the United Nations’ year of indigenous peoples the UN at least ought to hear their cry. The letter they wrote described their situation as a people, one among many slipping away in a rapidly changing world. This report provides a translation of the letter and explains briefly both why villagers felt so powerless within the Russian system and why they made the decision to write to the UN.

Circumstances Surrounding the Decision to Write the Letter
Every year the village of Kovran hosts the festival Alkhalalalai. Resurrected from historical accounts of an ancient Itel’men ritual, it is the only annual Itel’men festival. It has been a cornerstone of the Itel’men cultural revival movement since the movement began in the mid 1980s and has become a symbol of hope for Itel’men cultural restoration. Last year, 1993, however, was considered a difficult year, and the festival was performed with less enthusiasm than in the past. After the festival, the head of the Cultural Restoration Council called a meeting with the teachers of the village school to discuss how festival activities could be more closely coordinated with the educational program.

During the course of the meeting the discussion regularly diverged from plans for the festival. People were frustrated and upset: "How can we be talking about dancing and singing when we don’t have electricity?" "How can the school even go on if there is no electricity?" During the meeting both the head of the Village Council (Sel’skii sovet) and the head of the Cultural Restoration Council described their prior appeals for help. The head of the Village
Council had essentially given up; she accepted what regional and provincial bosses had said and felt that there was nothing to do but wait for help.

**Problems Below and Political Ambiguity Above**

Lack of electricity in the village was the critical issue on everyone's mind during the meeting. Privatization and political ambiguities had made it impossible for villagers to find help in restoring electrical power. For Kovran villagers there are three political levels of authority to which they can appeal before getting to the federal level. The first, the Village Council, is the body responsible for overseeing the implementation and administration of government policies in the village. Much of the success of the village council's activities depends on the skill of the village administrator in appealing to higher authorities at the other two levels, district (raionnyj) and regional (okruzhnoi). The Koryaksky Okrug is autonomous, meaning that federal financial support for the region goes through the capital of the Okrug, Palana. At none of the three levels, however, do the administrators feel directly responsible for electricity. This is a result of privatization. The electric generating station was built by the village’s kolkhoz, "Red October." Since the 70s the administration of the kolkhoz has been transferred to the Russian village of Ust Khairiuzovo. With privatization and the creation of the corporation "Kamkrabvest" in place of the kolkhoz, the government has lost authority over the infrastructural obligations of the former kolkhoz. The kolkhoz, in turn, has lost interest in its profitless realms of activity such as supplying energy and transport to Kovran.

Appeals to the district government (raion) have led to promises of a future high-power line from Ust Khairiuzovo, but so far no help. Appeals to the regional government have similarly led in circles of ambiguous response.

For villagers, a large part of the problem is the difficulty of communication. The various possibilities that exist for communicating with administrators are exceedingly unreliable. Telephones are often black holes of time and energy. One can spend 20 minutes dialing and redialing in order to get a connection only to find that the person with whom one needs to speak is not in the office. Calling back could require yet another 20 minutes. Then, as is often the case, the administrator called will most likely claim that the problem at hand has to be referred to someone else.

Everyone knows that the best strategy is to deal with matters in person, but travel is difficult. Where there were once fairly regular helicopter flights to and from the regional capital, Palana (280km), they have become rare. The only way to get to Palana on regularly scheduled flights is from Ust Khairiuzovo via Petropavlovsk (1440km round trip). Flights to Petropavlovsk occur only twice a week, are often delayed by weather, and do not connect directly to flights to Palana. Not only does it take a minimum of one week to travel to Palana
and back, the cost of these flights has become prohibitively expensive. A round trip flight to Palana via Petropavlovsk costs about $400--two months salary for a well-paid person.

With such difficulties in communicating, villagers feel that it is nearly impossible to get a concrete answer from above. And the answers, when received, are often ambiguous and do not lead to a solution of the problem.

**Why to the United Nations?**

In the course of the meeting people suggested that they needed to write a letter to Palana. Both the head of the Village Council and the president of the Restoration Council said that they had already written to and talked with officials in Palana with no results. At that point, one person asked how the Itel’men situation compared to that of native peoples in Alaska. This turned the attention of the participants at the meeting to an international level of discussion. One of the teachers in the discussion commented on the fact that an Itel’men woman from Petropavlovsk had recently been to Geneva at a U.N. session on native rights. After asking rhetorically whether this woman had told people at the U.N. that Kovran had no electricity, she suggested that the group write to the U.N. Everyone agreed that with the troubles then in the Russian capital it would be of no use to write to Moscow. They decided that an appeal to the U.N. might be the only thing they could do; and they had to do something. No one expected that there would be a direct result. What they hoped was that they might bring some attention to their plight and help them to break out of the hopeless politically anechoic chamber in which they find themselves.

**Translation of Letter to the U.N. October 5, 1993**

We, the Itel’mens, representatives of one of least populous peoples of the North of the Russian Federation, with this letter, turn to you to whom we want to tell about our daily lives.

We are very few in numbers, nearly 1500 people. We live on the territory of Kamchatka mostly in the south of the Tigil Region of the Koryak Autonomous Okrug.

When Kovran was the headquarters of the Kolkhoz, Krasnyy Oktyabr, then somehow social economic problems were resolved. But after the move of the headquarters to the Russian village of Ust-Khairiuzovo, our village became unprofitable. And today we must add the general situation in Russia and its political relations to the [native peoples of the] North.

Our region is rich in natural resources: fish, crab, and fur-bearing animals. But today we do not have access to the distribution of the resources. The Itel’men ethnos has reached a fateful precipice and there is one question, survival. At the present moment electrical power and heating fuel are lacking and the availability of only a meager amount of products is insured. The hospital lacks medicines. The death rate has increased among the local population.
because of heart disease and oncological illnesses. Alcoholism has become the scourge of native peoples.

The lowest wages go to native inhabitants.

We are practically cut off from the world—that is, neither television, nor radio work because of the lack of electricity. For weeks at a time we receive no information by post. There is no meeting house, no library. In all our attempts to seek help from higher organizations they reply that there are difficulties everywhere. You need to get yourselves out of the situation. Does anyone know how to get out?

1993 was the year of aboriginal peoples. Greater hopes were connected with it. In the end, we can say that the year passed us by. The contemporary situation of the Itel’mens is truly discrimination: the ethnos [ethnic group] is on the edge of dying out. Will the time never come that yet one more, even if small, group of people will not disappear from the face of the earth?

Outcome

The letter was signed by over 50 individuals and handed over to an Itel’men man living in Munich (no one trusts the postal system). He sent the letter to the UN human rights division in Geneva in December. Early in 1994 the office of the Village Council received a telegram from the Chief Administrator in Palana saying that the kolkhoz corporation, Kamkrabvest, would receive no fishing quota unless they did something to restore electricity to Kovran. It was reported that the letter to the UN had put pressure on Okrug authorities. The authorities held to this threat until the kolkhoz promised and actually hauled a generator from Ust Khairiuzovo to Kovran. This generator was not in working order and has not worked since being moved. Kamkrabvest, however, received their fishing limit. The Itel’men man from Munich returned to the village in April. He reported that the letter had been included in a file of similar cases to be brought before governments that were inadequately attending to the rights of indigenous peoples.

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Summary

The so-called "transition to a market economy" is not as natural a phenomenon in Russian society as the sheer economics of the situation would lead one to believe. Forms of exchange along lines of kinship, class, ethnic affiliation and status form culturally defined routes for the exercise of production and consumption. Moreover, there are deeply held sentiments in Russia according to which business and transactions in money are felt to be tainted and suspect activities. Merchants are mistrusted as a matter of course and thought to be dishonest merely for selling at a higher price than they buy. These facts imply that those who wish to do business in the former Soviet Union have to work at establishing credentials not simply of trust but of appropriate status as buyer or seller. This paper describes the cultural scope of economic ideas in the rural Russian Far East and suggests that the most probable solution to economic problems is the development of better communication and information flow throughout the region.

"We don't know how to do business!"

Tamara Valentinovna has a gift for seamless talk while effortlessly cooking and feeding guests. After working for over 40 years at jobs ranging from canning fish, to teaching in the elementary school, to working in the office staff of the village airport, she has retired. She knows life in the largely Russian village of Ust Khairiuzovo inside and out and it is always a pleasure and informative to talk to her. In August (1994), despite health problems, she was busy preserving foods for the winter. She talked about economic conditions in the village and about how her 43-year-old, live-at-home son was working two jobs to make ends meet. As she brought out freshly made cloud-berry preserves she explained that she knows how to do everything to support herself. She can even make more than she needs. Nowadays, she said, people are always saying that there is the chance to make money at doing things for oneself. She then reiterated that she can produce more than she can consume in a season, but came to what she considered to be the critical point: "we don't know how to do business" (torgovat',

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1Zhirinovsky's support in the Far East in last year's election was derived in large part from the strong stance that he took against merchants.
"to deal"). The "we" was inclusive, meaning both the indigenous people of Kamchatka and Russians of her generation. For her and her cohort, money was not particularly important in their youth because there was simply not much of it to be had. For most of her life—first in fish factories, then in the school and finally at the local airport—basic needs were supplied to her by her place of work and her own gathering and gardening. One produced a surplus, if one could, as a matter of course. One never knew what the winter would bring: debilitating illness or injury, an extra mouth to feed when a sister, for whatever reason, cannot care for a child, or even, an invasion of rats or mice into the food supply. If one produced and had a surplus for the winter it was for the opposite of selling; it was to give to those in need.

Buying and Selling as Unnatural Acts

Buying, selling, getting a good deal and making a profit, economists think, are clear, rational phenomena that human beings understand intuitively. Economic activity can be charted and plotted because everyone understands the "natural" equivalences determined by exchange through money. But in Russia, as in much of the world, and throughout much of history, transactions of buying and selling are more sociological than economic, more symbolic than numerical. Exchange of goods for money, without an established relationship between buyer and seller, is often tainted with the suspicion of deception and shrouded in a cloak of unease and uncertainty. In rural Russia, where the supply of anything and everything is now uncertain, the calculus of buying and selling is a social calculus that involves both social status and the culturally inherent negative qualities of money and monetary transactions. To buy gasoline during the winter, for example, one needs not only cash, but the appropriate relationship with someone who has gas. Some relationships may allow one to obtain gas without money at all. On the other hand, for those without connections, twice the going price may not be high enough to be able to buy.

Money is often not a neutral medium of exchange. Transaction in money breaks the mutuality of social relations that is otherwise expressed and sustained in non-monetary exchange. A good example of the awkwardness with which money has entered the village scene is the case of Liudmilla and her hard-drinking aunt, Elena. Liudmilla’s son, Sasha, often went to visit his great-aunt; he was a growing boy and always loved the berry juice that she made. A few years ago Elena decided that she was efficient enough in her production that she could make extra money by producing more and selling the surplus. Sasha continued to drop in for tea after she went into business and after a short time she decided to charge him for what he was drinking. Each glass of juice that he consumed, she reasoned, could otherwise be sold and she could use the income to buy food and clothing for her grandchildren. Sasha’s mother
was incensed. She immediately told him to stop visiting his elder kinswoman. Relations between the two families broke down and Liudmilla is still livid when she speaks about the incident. She finds it unconscionable that her aunt would think to charge a relative, and scandalous that she "charged so much for just a glass of juice." The usual form for compensating a relative is through reciprocal visits. Liudmilla blames her aunt’s indiscretion on her drinking; it caused her to ignore the implications of selling to a relative. This incident reflects what Tamara Valentinovna meant when she said, "we don’t know how to do business." People are not used to the idea of converting produce into cash and are unsure of the rules and consequences. Elena quickly gave up trying to sell, in part because most of her acquaintances are relatives and she has no means to market to others.

Merchants Are Cheaters

Villagers are skeptical of those who make money from buying low and selling at a higher price. In earlier days, the price of goods was set by the government and was the same whether sold in remote villages such as Kovran and Upper Khairiuzovo or the port village of Ust Khairiuzovo. Now that prices are set locally, merchants charge a premium for sale in remoter villages. Inflation in these areas is thus running at an even higher rate than in the cities. People object to the high prices and are offended when they travel to the Russian village, Ust Khairiuzovo, and see that the same goods are selling for less. A Snickers bar, which as of the summer of 1994 could be purchased in most remote villages, sold for 1700 rubles in Kovran (80c), 1300 in Ust Khairiuzovo, 700-1100 in Petropavlovsk and 500-600 in Khabarovsk. Some people recognize that there is a cost in transporting goods to the village, but they think, rightly, that it cannot be as much as the difference in costs between the villages. Though people appreciate being able to buy a variety of goods, the price differential contributes to the feeling that the merchants are cheating people and the overall feeling that things were better before, i.e., under communism.

The Hassle of Money

Cash, when it is available, is inconvenient and a great responsibility for those who must deal it out. Individuals often have to carry large wads of 100, 200 and 500 ruble notes for even routine shopping and travelers have either to seek out bills in large denominations or leave plenty of room in their carry-on luggage. When the chief administrator of the village council in upper Belogolovoe arrived on a snowmobile with pay for government workers (school, kindergarten, etc.) she had to ask her brother and son to help bring in the load. It consisted of three large sacks, each over 50 lbs., filled with nothing but paper money. Another village administrator also travels in the community truck with stacks of 500 ruble bills lining
the bottom of his duffle bag--pay for his office workers. For now, these deliveries are reasonably secured by the face-to-face nature of society. Everyone knows everyone else and there would be no easy way for a thief to leave the area.

For small purchases of non-shortage goods, money is by far the most desirable medium of exchange. For larger purchases money can be difficult because of the quantities that one has to carry. Though the spread of 10,000 and 50,000 ruble notes has somewhat alleviated the problem, large sacks of money are still commonly seen.

Paying in Bottles

Despite increasing incidence of alcoholism and drinking, pay "in bottles" seems to be less common than previously. This is a result of the ready availability of alcohol in the stores. Even if there is little else available, vodka, grain alcohol, liqueur and often champagne can be purchased. Money can be almost instantly converted into a bottle and there is now little worry that one needs to go dry for long if one has cash in hand. Those without cash often ask for either money or bottles in exchange for farm or forest products, berries, potatoes, cabbage, etc.

Checking

In much of rural Russia cash is in short supply. The government printing and distribution process cannot keep up with inflation and the increasing flow of rubles. This meant that long before Muscovites knew what checking accounts were, people in the city of Petropavlovsk were writing checks at the grocery store. In rural areas of Kamchatka checks have been used to pay workers when institutions such as the village council, the hospital or the local fish factory could get no cash.

Checks continue to be a means by which some government agencies pay employees when they cannot offer wages in cash. Most checks cannot be cashed at the one bank in the Ust Khairiufovo region and people do not trust it sufficiently to deposit their money there. They feel it necessary to spend the money as quickly as possible before inflation takes away its value. Thus, there is considerable risk in accepting checks as pay. Only a limited number of large-scale corporations or institutions will accept checks as a form of payment and only then if the amount of change that they might have to return is small. This means that individuals commonly use paychecks of 100,000 to 300,000 rubles to pay for plane tickets, administrative fines, or large purchases through regionally or nationally organized merchants. Institutional vouchers work in essentially the same way as checks. They are most often used for payment by governmental organizations—the village council, the school, the hospital—for purchases of equipment and supplies. Even these, however, though backed by the government are not
always and everywhere accepted. The taker risks losing money because any bureaucratic slowness in payment causes loss through inflation. There is a small amount of "grey market" traffic in checks and vouchers and in native villages this is usually handled by outsider Russians. Individuals buy at below face value and then either receive close to face value through some official connection or use the check for a major purchase.

Furs and Other Animal Products

Other forms of exchange exist in Kamchatka. For expensive or particularly valuable commodities such as gasoline, kerosene, snowmobile parts or clothing, exchange can be made with animal products: furs, sewn fur products, particularly fur hats, bear hides, bear gall bladders and caviar. These are used because they have a reliable value in hard or soft currency and are the most stable and inflation-matching products of rural Kamchatka. Mammal products are legally sold through the Gospromkhoz or corporations or organizations that it licenses. Illegal traffic is handled through both these same corporations or on the "grey markets" of the larger cities. Because of the ready ability to convert such products to cash, they are often used as a form of exchange.

Dealing in semi-legal animal parts creates bonds of secrecy which do not fit well with village society and have a tendency to lead to inter-familial and inter-ethnic tension. Because the native populations have less access to legal information and legal redress they are easier targets for governmental control. This leads to what is effectively discriminatory policing of legally operating native hunters and fishermen. Meanwhile, larger scale, more legally astute businesses, including sport hunters, pose a more significant threat to wildlife preservation and use.

Summary and Conclusion:

Lacking a banking system, lacking experience with pricing and creating stable buyer seller relations, and maintaining deeply held suspicion of those who traffic in money, the people of rural Kamchatka, and by extension much of Russia, are not yet convinced that the transition to a market economy will give them a better life. Business itself bears negative connotations and most people do business along trusted networks of relatives and work colleagues where relations are known and definite. Privatization is leading not to an open market but to a continuation of the distribution of goods along lines of friendship, kinship and hierarchy that were present under the Soviet regime. This is exactly the factor that fosters the creation of "mafia" networks. If there is a way out of this situation it is probably through improving the flow of information. Better newspapers with better distribution that inform people about prices, exchange rates, and new legislation would enhance both consumers'
ability to make decisions and enhance their trust in existing organizations. More reliable telephones and more dependable forms of transportation would further help to spread information about price, availability and deliverability. Greater information flow would help people to break out of the bounded and exploitative networks from which they now see no outlet.