# Trust, Networks, and Social Capital in the Transformation Countries

## Ethnological Perspectives

*Klaus Roth, München*

For the Western visitor to the post-socialist European countries, one of their striking features is the high visibility and relevance of sharp disparities. The extreme contrasts between the super rich and the very poor, between bustling cities and dilapidated villages, between blooming metropolitan regions and abandoned rural peripheries are just as bewildering as those between hyper-modernity and archaisms, between Westernized young urbanites and marginalised minorities sticking to traditional ways. But there is yet another dichotomy that is less visible to the beholder but probably even more important and fundamental as it runs deeply through these societies, namely the opposition between the *public* and the *private* spheres. To an extent unknown – and often unbelievable – to the Westerner, the societies and their entire social life have a binary structure, consisting of two clearly separated spaces to which people attach very different values, the private space being viewed as familiar, friendly, and intimate, while the public space is perceived as unfriendly, dangerous or even hostile. People do not only attach different values to each of these two spaces or spheres, but also have separate sets of behaviours, attitudes, and norms for them.

This sharp opposition appears to be, at first glance, noting but a legacy of the totalitarian socialist past in which people had to beware of what they said and did in public for fear of the organs of the state. It is true that all socialist countries were, to varying degrees, affected by the decades of socialist rule, but for the East and Southeast European peoples, this period only added to their long negative historical experience with the state, as they have a history of centuries of Byzantine authoritarian rule (in Russia) or Ottoman foreign rule (in Southeast Europe) in which people perceived the state as inimical and distrustful. Their societies became, as Christian Giordano points out, societies with a "culture of public distrust". Thus, while there are many commonalities in all transformation countries due to their common socialist past, the differences between the regional groups of countries run deep – and they bear on the present and the future.

In order to fully understand the impact of the private–public dichotomy for all spheres of social, economic, and political life we have to take a closer look at how the spheres are defined in the eastern half of Europe, both spatially and socially. The *private* sphere, to begin with, comprises first of all the inner space of one's own apartment or house, including the yard and the garden, and socially the small

family, but it stretches beyond that to include the blood relatives (and in South-eastern Europe the ritual kin), good friends and neighbours, class mates and colleagues. Beyond this inner circle, people have circles of "friends of friends" (cf. Boissevain 1973), a whole array of informal social networks. To have such informal social networks, to have many friends and "friends of friends" is not in the first place a matter of emotional need or social prestige; it is rather a matter of social and economic necessity and survival, an indispensable prerequisite for managing everyday life. The private space is the life world for which the individual really cares and feels a great responsibility and attachment, a sphere in which – and for which – he or she invests most of his or her time and resources.

The *public* sphere, on the other hand, begins right outside one's own doorsteps; spatially it includes already the staircase and the space around the apartment blocks or the house just as well as streets and places, traffic and public transport, shops and restaurants, banks and businesses, but most of all the institutions and agencies of the state, particularly the police and politicians. To the average citizen, this public space is a sphere which is not only uncontrollable and in principle hostile, but also a sphere in which he does not take a personal interest or feels any kind of responsibility – no matter how dilapidated the staircase or the facade of his apartment block, how full the garbage containers or how deep the holes in the pavement before his house, no matter how many potholes in the streets and roads. The state and its institutions are held responsible for all this, but at the same time they are viewed as the enemy, an enemy whose laws and regulations must be circumvented and who can be cheated for one's own personal interests. As a consequence, altruistic civic engagement in community welfare or in public affairs is the rare exception, particularly in Southeast Europe.

What is the deeper logic of this social order that differs so much from that of most Western countries? What are its underlying principles and mechanisms? And what are the reasons for its continued existence? Posing and answering these questions is of greatest relevance not only for the post-socialist countries themselves, but also for the European Union, as some of them have already become EU-members, while others will join very soon, and yet others aspire EU membership.

Research by sociologists and ethnologists as well as the research in our Forost project[1] have produced ample evidence that the underlying rationale for this sharp dichotomy lies in the answer to the question where trust is located in society. In order to understand the social and psychological mechanisms of social trust, it is useful to start from the basic distinction suggested by Niklas Luhmann (1973), John Coleman (1988), Robert Putnam (1995), Francis Fukuyama (1995, 1995a) and others, who distinguish between personalised trust and anonymous, systemic or institutional trust. With regard to the degree of the latter in a given society, Fukuyama distinguishes between *"low trust societies"* and *"high trust societies"*. In "low trust societies", trust is located almost exclusively in personal relations,

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[1]   The projects of the interdisciplinary Forost Research Group (Forschungsverbund) were financed by the Bavarian Ministry for Science, Research and Culture (2003–2005).

that is, in the primary group of relatives, in friends, and in intimate social networks, while there is a high degree of distrust in the state and its institutions, which are perceived as the hostile "other"; to cheat the state and act against its laws for one's personal gain is considered to be legitimate, although it may be illegal. Social capital is accumulated largely through the establishment and maintenance of dense and functioning social networks, which thus attain a family-like structure and provide mutual support and help in case of need. As a consequence, there is a sharp borderline between the private and the public sphere. In "high trust societies", on the other hand, there is, of course, a certain degree of personalised trust, but social trust is largely located in abstract institutions and social relations, in the functioning of anonymous systems, and in the state (as a "res publica"). The state and the government are widely perceived as being legitimated by the citizens and therefore legitimate. Social capital is accumulated also largely through activities for the civil society or through engagement for the common welfare, for example in voluntary associations or in honorary services. Although there is, of course, a distinction between the public and the private spheres, it is much less relevant and visible, as the individual citizens feel, to a certain extent, responsibility for the public space around them.

Niklas Luhmann (1973) considers institutional trust a most essential component of social order, and Anthony Giddens (1990) even maintains that anonymous trust is one of the foundations of modernity. Like Fukuyama, they consider anonymous trust to be a precondition for civil society, democracy, and marker economy as practised in the highly industrialised and modern societies of Central and Western Europe, North America and Japan which are all "high trust societies" and, Fukuyama (1995) argues, therefore economically and politically successful.

Even if this approach and its conclusions have been criticised as Western and ethnocentric, even hegemonial[2], it nevertheless offers a useful starting point for the analysis of the situation in Eastern Europe, particularly in Southeastern Europe. The question is why the Balkan societies belong so explicitly to the "low trust" type of society, why there is such a lack of institutional trust and such a high relevance of informal social networks in which alone people can accumulate social capital. The question is further, why most people in Eastern Europe hold on so vehemently to this social logic in spite of the fact that maintaining the social networks consumes a lot of energy and that their logic runs counter to – and even jeopardizes – the logic that underlies modernisation, civil society, plural democracy, rule of law, and fair market economy – which all together constitute the basic ideals, values, and norms of the European Union.

The most important reason for this development has already been mentioned, the historical experience of foreign rule and occupation over many centuries. At least in Southeast Europe, the state and the ruling elites were foreign and considered illegitimate, unpredictable and not trustworthy, so that people clung to their traditional norms and customary laws as the only legitimate ones. The decades

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[2]   See e. g. the contribution by Chr. Giordano in this volume.

between the liberation from Ottoman rule and the socialist take-over were too short to establish functioning civil societies and to generate institutional trust in the population – and the little institutional trust that had grown in those decades was soon destroyed by totalitarian socialism. For almost half a century, the socialist political and economic system forced millions of people to adopt very specific strategies and social practices to manage their daily survival (Roth 2000): the total control of the public space by the Communist Party and the state and the encroachments of the secret police and other institutions created (or reinforced) a deep distrust of institutions, while at the same time the permanent deficit economy made it imperative for every individual to rely on close social networks and "connections" for managing the hardships of everyday life: one needed friends and relatives, the "cousin of a friend" or the "neighbour of one's cousin" in order to obtain a new TV set, a car, construction materials, a permission for one's child to enter university or to travel abroad, to avoid sanctions by the authorities or simply to buy foodstuff that was in short supply; and in exchange one had to provide other goods or services to one's friends and relations.

The effects of the socialist system were socially devastating in two ways: it destroyed all remaining trust in institutions and in their use of power and it eliminated the interest and engagement of citizens in the public sphere (which was totally controlled by the state anyway), while at the same time it made personal trust in small primary groups and the maintenance of strong informal social networks and "niches" a necessity of life, because they were the only ones on which one could rely. This perpetuation and strengthening of this social logic is probably the most problematic legacy of socialism in Southeast Europe. In the countries of Eastern Central Europe, which had a stronger civic tradition, socialism affected the societies not quite as deeply.

Ever since the collapse of the socialist system it has been the declared goal of all postsocialist governments to establish all the required institutions of civil society, parliamentary democracy, and market economy in order to be "fit for EU membership". Have the governments succeeded in this, and have the societies changed? Has personalised trust been reduced and is there a noticeable increase in institutional trust? It was one of the objectives of the Forost research project at Munich University to provide answers to these urgent questions. In summing up the most important findings one can say that in the post-socialist societies informal social relations and networks continue to predominate in society and to play a major role for every individual. The deep crisis that accompanied the transformation processes, the banking scandals of the early 1990s, the abuse of power by corrupt politicians, and many other factors combined to even enhance the need for close social networks and to increase institutional distrust (cf. Sztompka 1995). Investing in informal networks based on personalised trust remained the safest way to accumulate social capital.

In Southeastern Europe, besides family and kinship relations, networks of ritual kinship have gained in importance: the institution of the godfather (and godmother) has been extended to include businessmen and managers, advocates

and civil servants, members of parliament and ministers as sought-after godfathers, often turning these ritual kinship relations into clientelistic relations between patrons and clients. It is of particular interest that in all southeast European countries small enterprises constitute up to 99% of all enterprises – and that most of them are structured and led as quasi-families by a patriarchal patron or "father" taking care of his employees as "children", but who also demands absolute loyalty and solidarity from them – and often expects unpaid overtime work. In many companies the entrepreneur or manager acts as a godfather for his employees and takes care of their children; and it is not uncommon that even colleagues mutually accept the role of godfather for each other, thus turning the small enterprise into a "family" that is fully based on relations of personalised trust[3]. Likewise, friendship-relations with schoolmates and fellow-students, colleagues and neighbours never lost their importance for safeguarding social relations based on trust and loyalty.

The traditional patterns of establishing and maintaining close social networks have largely been adapted, however, to the conditions post-socialist modernity (cf. Ledeneva 1998). One of these adaptations lies in the fact that those network relations of the socialist period that were weak and purely instrumental have either dissolved or have been turned into monetary relations; symmetrical "connections" based on the mutual exchange of goods and services have become asymmetric money-based relations, which in many cases means that they are outright corruption. This process is reinforced by the bad economic situation of most civil servants or employees and by the increasing social differentiation of society into (very) rich and (very) poor. Many services can only be obtained through sizable payments to officials, physicians, judges, teachers etc.; hospital doctors demand – and receive – extra payments for operations, teachers and professors take illegal money to help students with entrance exams or diplomas, judges and lawyers demand extra money for favourable judgements. It comes as no surprise then that 75% of all Romanians deeply distrust their judicial system. In some post-socialist countries, this "little corruption" (Benovska-Săbkova 2005) has become an integral part of "normal" everyday behaviour. The impact of "connections" and "little corruption" on the societies and the economies is disastrous: they destroy public morality and fairness, and prevent gratification based on achievement and merit. It is no surprise, then, that the post-socialist countries have rather low ratings in the Transparency International Corruption Perception Index[4]. In view of the economic truism that the wealth of a society is

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3 Work relations in the post-socialist societies have been treated in detail in two earlier volumes of the Forost research project: Klaus Roth (ed.): Arbeit im Sozialismus – Arbeit im Postsozialismus. Erkundungen zum Arbeitsleben im östlichen Europa. Münster: LIT 2004. – Idem (ed.): Arbeitswelt – Lebenswelt. Facetten einer spannungsreichen Beziehung im östlichen Europa. Münster: LIT 2006.

4 TICPI 2004: position (out of 146 countries worldwide): Estonia 32 (6.0 points), Slovenia 33 (6.0), Hungary 42 (4.8), Lithuania 45 (4.6), Czech Republic 50 (4.2), Bulgaria 53 (4.1), Latvia 57 (4.0), Slovakia 58 (4.0), Croatia 67 (3.5), Poland 69

reversely proportional to its degree of corruption, these figures are disquieting. They show that corruption is much more than only a moral issue but a social fact of greatest economic and political importance.

The consequences of the prevalence of personalised trust and informal social networks are not only familism, nepotism, clientelism and "little corruption" as well as economic inefficiency. Maintaining informal social networks and "nourishing" them permanently also demands a great deal of individual and social resources. In other words: people spend great amounts of their time and energy on maintaining relations that "may be of use one day". And all too often the "little corruption" turns into "big corruption" or outright criminal action. In some countries, large sectors of the economy belong to the "shadow economy", while the administration, the legal system, and politics are perceived by the population as having "mafiotic" structures and practices.

Given all these obvious negative consequences, why is it so difficult to change this social logic? One of the reasons is that many of the disadvantages of the system are matched by its advantages and benefits. Particularly in Southeast European societies, close kinship and friendship relations offer social closeness and warmth, mutual assistance and care, solidarity and intense emotional communication, and a steady social exchange of "give and take". It is a whole complex of traditional social norms and behaviours, of values and attitudes that is very deeply ingrained in every individual. The socialist system has only reinforced and perpetuated this system which is – and that is a very important aspect in view of European integration – very closely related to individual and collective identities. The open and sometimes quite aggressive media discourse on the relationship between the "Balkans" and "the West"[5] makes it clear that many people consider this set of social norms and behaviours to be a positive counter model to the "cold rationality", functionality, and anonymity of the "West" – and the "West" is increasingly equalled with "Brussels" (and vice versa). As the Polish writer Andrej Stasiuk wrote in 2004[6], the people of eastern Europe should retain the somewhat chaotic closeness of their social relations in order to prevent their "soft and painless annihilation" by the West, and thereby keep their identity. This highly ambivalent attitude towards the "West" can also be encountered in Greece, a Southeast European country that became a EU member twenty five years ago (see Lauth-Bacas 2004).

This intricate connection between identity and the system of social relations and norms, this spiteful insistence on a social logic that does not conform to (and in many ways contradicts) that of the founding countries of the European Union

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(3.5), Romania 89 (2.9); 10 points is the highest value, which indicates the lowest degree of (perceived) corruption.

[5]   See the forthcoming volume of papers of the 2004 conference of the Südosteuropa-Gesellschaft on "Pro- and anti-Western discourses in Southeast Europe".

[6]   Andrzej Stasiuk: Aussicht auf eine sanfte, schmerzlose Vernichtung. Gelingt es Osteuropa, sich zu behaupten und vom Westen nur die Maske zu übernehmen? Die Parodie als Überlebensstrategie. In: Süddeutsche Zeitung, 30 April 2004.

will undoubtedly produce many problems. The paradox is that the people in the Balkans want to become "Europeans" without really becoming "Europeans", that is they want to become members of the EU without giving up their social logic and – purportedly – losing their cultural identity. The solution to this paradox will certainly lie in some sort of compromise, the outlines of which are already becoming visible in some post-socialist countries: on the one hand, intensive social relations and networks based on personalised trust will no doubt continue to be essential, but their negative effects will probably decline when the economic situation improves. On the other hand, institutional trust will grow, but in view of the wide-spread misuse of political and institutional power by the elites and by officials this process will be very slow. In some transformation countries, there are already signs of an increase in institutional trust. Meanwhile many institutions function quite well and are better than their reputation in the population; younger and more educated citizens tend to have a higher degree of anonymous trust; and in the last years there is to be observed a tendency in small enterprises to rely not only on kinship relations but also on the competence and achievements of employees and business partners[7]. In addition, in the development of generalised trust, Western companies and institutions play an eminent role, as they are much more trusted by their employees and by the population than native companies or institutions. From this derives a high degree of responsibility of Western firms and organisations, particularly the institutions of the EU, because they serve as models whose actions and behaviours are watched very carefully.

The EU thus appears to be in a difficult position in East Central and Southeast Europe and has to act very wisely. If it presses the countries too hard to adopt its norms and standards, it will provoke the traditional distrust of foreign rulers and will be perceived as a hostile power trying to exert hegemony and endangering one's identity. If it is too soft on the negative sides of the system of informal networks, there will be tremendous social and economic problems ahead.

It was the goal of the international conference that took place in Smolenice, Slovakia, on 7–10 October 2004[8], to tackle some of these questions that are so decisive both for the transformation countries and the EU. The papers by ethnologists, folklorists, sociologists, and historians presented the findings of their empirical research in eight post-socialist countries ranging from Estonia in the north to Bulgaria in the south. Their studies of everyday behaviours and attitudes in the socialist and post-socialist periods reveal that the situation was – and continues to be – quite complex and escapes simple categorisations. By focussing in detail on

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[7]  See e. g. the article by Tanya Chavdarova in this volume.

[8]  The conference was organized jointly by the Bavarian Research Group Forost, the Katedra Etnólogie of Comenius University, and the Institut für Volkskunde/European Ethnology of Munich University; it received financial support from the Werner-Reimer-Stiftung, and the J. G. Herder Research Council. I owe many thanks to all these institutions for their support and cooperation; special thanks go to the Slovak Academy of Sciences for making available their conference centre in Smolenice Castle.

the utilization and social relevance of personalised trust in various social contexts, by elucidating the strategies of building and maintaining social networks and managing everyday life, and by pinpointing the adaptive changes in social relations since 1990, they allow us to draw a clearer picture of the inner workings of the transformation societies and of their social logic. They lay open the continuities just as well as the obvious changes in countries which have to adapt not only to the challenges of the EU, but also to those of globalization.

It goes without saying that the high relevance of personalised trust and the "culture of public distrust" is by no means unique for the transformation countries. As *Christian Giordano* (Fribourg) points out in his introductory theoretical contribution "Private trust and informal networks: on the organisational culture in societies of public distrust. A glance at Southeast Europe", there are many parallels with Southern Italy, a region where he has done extensive ethnological research. Trusting friends and relatives and distrusting the state, he maintains, is very rational behaviour, given the historical experience of Southern Italy; in recent years, the relationship between state and citizens has become more "civilised" and less emotional, but this does not mean that it has become friendlier – a rather sceptical outlook at least for Southeast Europe.

A first group of papers deals with the micro level of family and friendship relations. In his article "Familism and socialism: families in socialist Bulgaria between opposition and state intervention", *Ulf Brunnbauer* (Berlin) shows, that counter to the original ideas of communism the Bulgarian socialist government supported and strengthened the family, which resulted in a mutually exploitative relationship of the state and the families, the retreat of the family from public life, and blatant familism (usually at the expense of state resources) – which, however, later helped the families to survive the strains of transformations. In many countries, though, the new communist regimes persecuted "reactionary", above all bourgeois families, which forced them, as *Magdalena Paríková* (Bratislava) demonstrates in her paper "Social networks as a companion in everyday life or as a necessary practice? The example of a family in Bratislava", to strengthen ties within the family and to establish closer networks with kin and like-minded friends. The latter point is amplified by *Ľuba Herzanová* (Bratislava), who in her paper "Networks and relations between generations" focusses, on one side, on private networks of relatives and friends in their interrelation with networks shaped by religious groups in the city of Bratislava, and on the other on the vital relationships between the generations in the family. The specific nature of the socialist system, she concludes, made intimate relations between generations a necessity of life and engendered a development of family relations that differed from that in the "West".

Family ties and close networks of trusted friends became an absolute necessity for survival for those who were marked by the authorities as "enemies of the socialist state", such as the supporters of the Prague Spring of 1968, most of them intellectuals. In the process of "normalization" most of these dissidents had to accept menial jobs, a social catastrophe for their whole families. The task of

making a living and still continue to exist as an intellectual put extreme stress also on their wives, as *Marketa Spiritova* (Munich) points out in her contribution "'I preferred to serve rather than to write': the role of women in dissident networks in Czechoslovakia after 1968", who had to maintain safe networks of friends and relatives in order to survive. The wives of Russian dissidents were in a similar situation, as *Anke Stephan* (Munich) explains in her article "Of ‚dissidents', 'wives' and 'sympathisers': the growth and functioning of dissident networks in the Soviet Union of the 1960s to 1980s". The social networks of dissidents, the "*kumpanii*", were established and maintain mostly by their wives, who – on the basis of shared values – supported the families of accused or imprisoned dissidents and formed the basis of the Russian human rights movement of the 1960s. In the groups based on personalised trust there were clearly defined gender roles which placed the women in the minor position of mere "sympathisers" – in spite of their substantial contribution.

In her article "Friendship and friendly coalitions and groups: friendship as a pattern of social relations", *Milena Benovska-Săbkova* (Sofia) makes a promising attempt at theorizing and defining "friendship", differentiating between four levels of exclusive, close, occasional, and expedient friendship, which in the Bulgarian context are often fused with ritual kinship, neighbourly relations or relations at the workplace. Friendships and friendly coalitions are, she found, of utmost importance at the workplace and constitute an implicit social capital which can be mobilised whenever necessary; they provide cohesion and cooperation at work as well as stability, solidarity, and mutual help in everyday life, but they can also be misused for hostile coalitions and, being based solely on personalised trust, contribute to the reduction of institutional trust. While Milena Benovska describes a functioning system of friendship and friendly coalitions in Bulgaria, *Predrag Marković* (Belgrade) takes a critical look at social networks of relatives and friends in Serbia, a country that experienced a "softer" variety of socialism, but in the 1990s suffered greatly from several wars and the dissolution of Yugoslavia. In the process of modernisation, economic crisis, and war, the author asserts in his paper on "Reliable persons and traitors: the investment of social trust on the micro-level in socialist and post-socialist Serbia and Montenegro", many trusted persons have proved to be unreliable or even "traitors", and at the same time the distrust in the state has grown. Relations of trust, he maintains, develop very dynamically in Serbia, a country that in its social relations is caught halfway between patriarchal tradition and modernity.

A second group of papers looks at trust and corruption in the rural world. In the village one expects a very high degree of personalised trust and tight social networks of kin and neighbours, but also a high degree of social control. It is precisely this combination, which both furthers and limits corruption, as *Stelu Şerban* (Bucharest) noticed during his comparative fieldwork in two Romanian and two Bulgarian villages close to the Danube. In his paper "Institutional development and corruption in local society in Southeastern Europe" he focusses, on the one hand, on the endogenous sources of corruption and on the way it impedes

institutional development, but on the other hand also on the villagers' strategies of coping with institutional corruption: people mostly circumvent and control it through various kinds of resistance, a diffuse "lawlessness", but also through a variety of social and economic interactions, by developing alternative arrangements outside the institutions, and by making use of local practices of social action. The creative strategies of people also become apparent in *Davide Torsello's* (Lecce) study of a post-socialist village in Southern Slovakia ("The inconsistencies of trusting: classification models, judgements and interpersonal relations in a post-socialist Slovak village"), in which he explores some cognitive aspects of trust. Trust is, he argues, a very complicated matter, and villagers' ideas of trust and trustworthiness cannot be understood by looking at their actions or ideas alone. Unless the researcher elucidates the logic of daily actions, the contradictions between people's ideas, words, and actions come out as mere inconsistencies rather than as adaptive strategies to rapid transformation. Only the accurate use of trust and mistrust as complementary solutions to the vagaries of the present, the author contends, enables the villagers to face the future. *Josef Kandert* (Prague) has also done fieldwork in Slovak (and Czech) villages, but his focus is on local history, social networks, and local politics. In his study of "Local history and social networks in everyday political practice: the case of Central Slovakia and Southern Moravia" he argues that historically shaped social networks strongly influence local politics: in the investigated Slovak region with its stable population, social networks based on face-to-face relations control local politics, while in the Moravian region with populations that settled in several waves, several groups based on period of settlement and party affiliation form separate social networks competing for power over local affairs.

Finally, the third group of papers delves into the world of institutions and business organisations. In her paper "Institutions and trust in (post)soviet Estonia: insights on the basis of biographical interviews", *Kirsti Jõesalu* (Tartu) points out one of the paradoxes of Soviet life. The relationship between citizens and institutions used to be highly asymmetrical in Soviet times, with the institutions permanently sowing distrust, but at the same time people sought trustful relations by creating personalised trust in individual civil servants or employees. Ironically, as the post-socialist institutions in Estonia have become modern reliable partners of the citizens, they are perceived as anonymous and therefore less trustful; the attitude of many citizens toward the state and its institutions is today characterized by apathy. In Russia, the system of "connections" *(blat)* that was so ubiquitous and essential in Soviet times, both in private life and at the workplace, has gradually changed its character, as *Vjačeslav Popkov* (Kaluga) found out in Russian enterprises. In his paper "Are social networks transformed? Informal relations in socialist and post-socialist Russia" he argues that the "classical blat" as a means of mutually procuring scarce goods and services has largely disappeared, but that informal social networks and personalised trust are as important as they were in the socialist period, though in forms that have been slightly adapted to present conditions of work-life.

The article "Goods in short supply as a basis for social networks: the case of employees in commerce in Soviet Estonia" by *Reet Ruusmann* (Tartu) presents a very detailed and amazing insight into the inner workings of the state system of centrally organised supply of retail shops with commodities in Soviet Estonia. In the Soviet deficit economy, having in store scarce goods gave the shop managers and employees a lot of leverage in their (mostly instrumental) social networks and placed them in a privileged and powerful position with the consumers. While Reet Ruusmann looks at the (mal)functioning of an intricate commercial system in the Soviet planned economy, *Tanja Čavdarova* (Sofia) is concerned with present capitalist "Business relations as trusting relations: the case of Bulgarian small business". Departing from the fact that the ever more complex and changing world produces a growing demand for social trust, particularly in business relations, she outlines various types of trust and examines the level of impersonal trust in Bulgarian society. To her, the lack of societal trust, including distrust in the state, is one key factor behind the disappointing economic performance of Bulgaria and other countries. She encountered two types of businessmen, the "predatory" one who betrays trust for quick profit and thus perpetuates the "culture of distrust", while the other one looks for a long-term market position and sustainable business relations based on personalised trust and – increasingly – also on generalised trust. This point is supported by *Ivanka Petrova* (Sofia), who is concerned with the high relevance of social networks and personalized trust in small enterprises in Bulgaria. Her paper "Male trust – female trust at the workplace", however, focusses on an aspect that has so far received no attention, the relationship between trust-building and gender. Both men and women use personal networks as a means of economic survival, she found, but they apply different strategies for establishing, maintaining, and using their networks and personalised trust: men strongly rely on larger networks of friends and relatives in order to compensate for the lack of systemic trust, while women tend to establish trustful dyadic relations mostly with other women.

In view of the fact that in the communist countries all media were controlled by the Party and the state, and that readers could not trust any information they received through the media, *Joanna Bar* (Cracow/Kraków) in her paper "The press of the People's Republic Poland through the eyes of journalists and readers" insists that journalists in (relatively liberal) Poland had more leeway than in other socialist countries, partly because of the strong position of the Catholic Church, but that it was nevertheless quite difficult for them to gain and maintain the trust of their readers, often by relying on a "dual code" of overt and hidden information.

Trust is a complicated and elusive matter, but it is a prerequisite for any social life. In the form of societal, generalised or institutional trust it is, as Sztompka (1995) noted, a "deficit resource" in the transformation countries, due to historical experience and to the continuing crisis of transformation. Both factors have engendered or perpetuated a "culture of public distrust", particularly of distrust

in the state, and forced people to heavily rely on personalised trust and on tight social networks of trustworthy persons. The papers of this volume make it very clear that personalised trust and the maintenance of (expedient or emotional) friendship relations is deeply ingrained, even at the workplace, and a part of unquestioned everyday behaviour and cultural identity. These habitualised behaviours and strategies afford the individuals and the ingroups with many benefits, as several studies in this volume demonstrate, but their negative consequence are just as obvious: "predatory" behaviours towards outgroup members, familism and nepotism, economic inefficiency, and above all a high degree of everyday "little corruption" and, more disastrous, "big corruption" of the political, economic, and judicial elites. With regard to the degree of personalised trust and corruption there are, as the present papers show, noticeable differences between the individual transformation countries, depending on their respective pre-socialist traditions. As for Bulgaria and Romania, the EU commission has severely admonished both governments several times because of the countries' very high levels of corruption in all spheres, and in Western Europe, the names of the two countries and "corruption" have almost become synonymous. But there is hope for the future, as some papers indicate: both the steady pressure from the outside, such as the insistent EU monitoring and the competitive pressure of the global economy, and endogenous factors have begun to reduce the exclusive reliance on personalised trust and to increase generalised trust, particularly trust in international institutions. It is ironic, though, that this happens at a time, when the countries of the "old EU" experience a crisis of trust in the EU and its institutions.

## Literature

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