

BAZAAR TRADERS AND THE POST-SOCIALIST STATE IN KAZAKHSTAN

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Abstract

Through studying the ways bazaar traders negotiate the state's quotidian practices, I explore the ways the post-socialist state is produced. Bazaars are often considered as the conspicuous sites where the relationship between the bazaar traders and the state has drastically transformed since the early days after the collapse of the Soviet Union. Yet, following a 10-day ethnographic fieldwork in Taraz, Kazakhstan, my study shows that constitution of the contemporary post-socialist state, produced through the mundane practices of bazaar traders, is largely informed by the one towards the Soviet state. This study contributes to the anthropological studies of the post-socialist state. In addition, this study possesses practical value and could be used by the state agencies regulating bazaars.

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Chapter 1: INTRODUCTION

After taking a few days off due to her family, Gulzhamal returned to her container at the central bazaar in Taraz, Kazakhstan.¹ She had left the container to her assistant's responsibility, which was very common practice at the bazaar.² Yet, upon her return, Gulzhamal found that her container was closed. Before she left several days prior, Gulzhamal asked her recently employed assistant to sell clothing on her own. The assistant had to call Gulzhamal everyday and report her about the status of the trading. Yet, Gulzhamal had not received any calls from her for three days. On the fourth day, she decided to go to the bazaar and check the container. After arriving to the bazaar, she had found that the container was closed. Neighboring traders told Gulzhamal that they had not seen her assistant for several days. Gulzhamal immediately started checking whether any goods were missing. After two hour checking, Gulzhamal found out that some goods to the amount of eight hundred dollars were missing. She became frustrated and did not know what to do. Luckily, her husband, a teacher in the vocational school, had quickly arrived after Gulzhamal called him and explained the situation.

Gulzhamal's husband proposed to visit her assistant's house. Fortunately, her assistant was at home, but she did not open the door. She talked to Gulzhamal behind closed doors, repeating over and over that she did not know anything regarding missing goods and the money. Later, in the evening, Gulzhamal talked to her son, who was employed in the state department of

¹ Wealthier traders can afford to rent a container. It protects from the weather conditions, traders often install air conditioners and design it at their own wish. If a traders wishes to rent a container, then he has to pay bigger amount of the monthly tax.

² These assistants are commonly called "realizator." Generally, there are two types of people one encounters when shopping at the "Zeleniy" bazaar in Taraz. On the one hand, it's owners who sell their own goods. On the other hand, it is assistants (realizatory) hired for help. Realizatory get paid on daily basis by the owners of the goods, plus, frequently commission on every sold item.

police forces. He called to his co-workers and explained the whole situation. They had told Gulzhamal that she had to write a petition to the police department and, then, solve this problem through the court. To my surprise, she never turned to the police department.

Hoping to return her money back, Gulzhamal had visited her assistant several times, but the latter always ignored Gulzhamal's appeal to the common sense. During our conversation, Gulzhamal never clearly explained why she decided not to appeal to the local police department or the court. She kept saying that appealing to the state would only complicate things, but not solving the problem. Nonetheless, considering her situation, the state agencies were the only ones that could help her.

Gulzhamal's story gives us a glimpse into the intricate ways through which bazaar traders negotiate the state in post-socialist Taraz, Kazakhstan. Scholars studying informal trade in post-socialist societies (Humphrey 2002, Kaneff 2002) argue that bazaar traders have existed in an uncertain relationship with the state. Because of the nature of trading activities, they are often regarded as extrinsic to or outside the state. This is partially due to the socialist history: selling things in private had been criticized by the socialist ideology. Reselling was considered as an illegal, immoral, and sometimes even as anti-Soviet activity because it was based on "speculation" (Kaneff, 2002). It was against the law to derive private profit from activities that were not connected to "real production." At the same time, the state still allowed the black market or second/shadow economy to exist because it helped to compensate the "economy of shortage" (Verdery 1991).

In post-socialist Kazakhstan, bazaar traders emerged in reaction to a complete disruption of planned economy. As the economy of Kazakhstan was reformed through comprehensive privatization of state property, many enterprises stopped their work. As a result, thousands of

people were left without income. Even though they were still employed, their monthly salaries were unpaid for month, and sometimes for years. Many had to sell whatever surplus goods they had at home in order to generate a cash flow. Thus, the bazaar traders emerged in reaction to the failure of the socialist “father-state” (Verdery 1996). Therefore, the creation of bazaar traders on such a mass scale could be considered as a distinctly post-socialist phenomenon. Through their act of ceasing to depend on the state and starting to take care of themselves, the bazaar traders have reshaped their attitude to the state. Because they started depending on themselves for their survival, they have changed the paternal state. Following Timothy Mitchell’s discussion of “state-effect” (1999) where he argues that we should study the state by looking at how it is imagined and “constituted”, I investigate how the bazaar traders in Kazakhstan encounter and negotiate the state in their daily lives.

Yet, I argue, that there are many continuities from the Soviet period in how bazaar conduct themselves in relation to the state. I show that the relationship of bazaar traders with post-socialist state is an outcome of the particular social setting among people vis-à-vis the state that had already emerged during socialism. Drawing on Alexei Yurchak’s discussion of “entrepreneurial governmentality” (Yurchak 2001) who traced the connection between post-socialist businessmen and the socialist Komsomol leaders, I study how certain mundane practices of bazaar traders in relation to the state are informed by the socialist past. For instance, bazaar traders often neglect state laws and regulations, relying on themselves. This attitude could be read both as rooted in the socialist past but also as a product of the new socio-economic regime of self-dependency and individualism.

This paper consists of 7 chapters. Chapter 2 describes the existing scholarship on the relationship between the state and the society during socialism, the emergence of bazaars and the

anthropological studies of the state. I address how scholars interrogated the transformations of the state-society relationship after the collapse of the Soviet Union; and thus, how anthropological perspective brings up new venues of studying the state. Chapter 3 outlines my research methodology, used during my 10-day ethnographic research in the “Zeleniy” bazaar in Taraz, Kazakhstan. Chapter 4 shows the processes that had led to emergence of post-soviet traders. Chapter 5 discusses the major domains through which the state intervenes in bazaars. It also describes the ways bazaar traders negotiate those state domains and what can be learned from it. Chapter 6 addresses the findings of the research, conducted in the “Zeleniy” bazaar in Taraz, through the prism of existing scholarship that similarly explores the citizens’ negotiations of the state in the era of post-socialism. Chapter 7 brings up the major relevant conclusions in relation to this research. It also discusses the contributions of this research into existing literature and what could be done further in order to improve the general topic of the state and society relationship.

Chapter 2: RELEVANT LITERATURE

This literature review is a survey of major themes related to major themes in recent anthropological scholarship on state and society. In my overview, I emphasize the following themes that appear to be central for my topic: trading and markets, socialist state and society, anthropology of the state.

Trading and Markets

Although trading was not a new phenomenon in Soviet countries, its scale was more significant in the post-socialist period (Nasritdinov 2007). Trading was not prolific, because people actively involved in it were often considered as speculators (*spekulyanty*). As profit was derived from reselling rather than production, trading was quite contradictory to the core values of the Soviet system. Yet, there existed an informal economy often considered as illegal “black markets” by the Soviet State. (Nasritdinov 2006).

Contemporary bazaars already had their informal prototypes in Central Asia. They were constructed and controlled by urban municipalities. In the “master plan” adopted by the state branch responsible for urban architecture, bazaars were referred to as trade commercial and economic zones. Hence, bazaars had a different connotation, serving as places to provide urban residents with goods – supplement to the official state redistribution system. (Nasritdinov 2006)

After the collapse of the USSR in 1990s, Kyrgyzstan, many other countries under the Soviet Union, suffered from the collapse of the socialist system that maintained stable well-being of the countries. The unemployment rates skyrocketed, crime hit the streets, people had to manage their lives without the previous support from the state (Nazpary 2002) Adoption of free

market reforms was the only alternative with which high officials of the newly independent countries caught themselves in attempt to escape economic and political downturn. Thus, trading has quickly become one of the main sources of income.

In spite of their employment and provision of goods, bazaars can also be seen as the place where social networks are constructed (Mandel and Humphrey 2002). Gradual growth of the bazaars and constant engagement of traders in other forms of entrepreneurship can be embodied only via involving a web of relatives, friends and workmates. Thus, Mandel and Humphrey claim that markets, changing political and economic spheres, contribute to the reconfiguration of the social system.³ The persons – traders – both shape and are being shaped by the political terrain of the new regime (Mandel and Humphrey 2002).

Yet, it is not only politics that shapes the market actualities (Humphrey and Mandel 2002). Farideh Heyat (2002) demonstrates how the specific gender-based system affected the transition to market economy. One of the factors through which Heyat examines the latter changes is the dispersed entrepreneurial activities among Azeri women. The emergence of large-scale women involvement in entrepreneurship – retail, catering services, and entertainment sectors – reveals the public approval of such activities for women. Moreover, it determines the way entrepreneurial practices of Azeri women have reconfigured cultural hallmark of looking at women public activities in Azerbaijan. As such, the trading resulted in whole array of economic and social changes in the market.

Deema Kaneff (2002) looks at markets as the place where identities and moralities are expressed. Kaneff argues that market activities receive more explicit moral commentary unlike

³Mandel and Humphrey look at the market on a broader scale, including international chains and joint ventures; large indigenous businesses; wholesale and mid-range retail shops; kiosks and shuttle trade; street selling and reselling by non-professionals. The way I look at the bazaar fits those categories, through which Mandel and Humphrey conceptualize markets.

the other contexts where exchanges are taking place. It is the markets where moralities are shaped and reshaped. In the case provided by Kaneff, changing politico-economic relationships have brought re-evaluation of the moralities, underling the trading.

Caroline Humphrey (2002) complicates the body of scholarship, preoccupied with phenomenon of trading, by looking at the trading in provincial Russia. Humphrey investigates new forms of trading after the collapse of the Soviet Union. She argues that the trade in Russia is non-traditional, because it invents its own cultural and economic terrains. Former state enterprises as well as local governments in a quest to of maintaining themselves inhabit trading. Such process of trading, assimilating state enterprises and transforming, marks a fundamental shift in the way society is organized. With forthcoming of the new class of traders, society has shifted towards more relatively egalitarian territoriality. Moreover, trading affected the ways ordinary citizens attach certain identities to traders (*chelnoky*). Thus, an emerged trading practice in provincial Russia juxtaposes new sets of order in society through attaching new identities due to traders' practices.

Trading is a complex phenomenon. It emerged in response to economic and political changes within the countries (Nasritdinov 2007; Heyat 2002; Kanef 2002). Moreover, it has potentials to further reconstitute the economic, political and social systems altogether (Kaneff 2002; Heyat 2002). Concurrently, trading assimilates the former state enterprises and local governments, producing new dynamics of the culture, underlying trading practices (Humphrey 2002).

Socialist State and Society

Katherine Verdery (1996c) refutes the evolutionist hopes and pretensions of the state officials during socialism. Bureaucrats were expecting socialism to subsequently transform into

capitalism, which was often considered as a higher phase of development. Verdery (1996c) examines the state in the aftermath of Romanian decollectivization in 1990s. Faced with troubling issues in regard to ownership, the Romanian state introduced new governmental policy. It was supposed to easily lead villagers in Aurel Vlaicu, Romania into a new institutionalized and predictable system of ownership regulations. By realizing these procedures, a state hoped to prevent the conflicts, based ownerships. Conversely, the new legislative system, lacking intermediary between the older and the new set of legislation, failed to become effective. Verdery sees state interventions as inefficient, struggling to assert its authority over the locals. As I mentioned before, bureaucrats were hoping to achieve transformation of the socialist state forms into liberal-democratic. Yet, the state policy was more of reconstitution of the previous state forms rather than transformation. Most likely, the new policy reiterated the state power, displaying its authority and influence.

Verdery (1996a) introduces another form of the state in Poland. It is dissected into various segments, constitutive of different ethnic groups. Each of those ethnic groups heavily relies on different system of genealogies and traditions. Verdery (1991) describes such example in order to show that the state can be segmented, where each segment practices different organizational principles and sources of power.

Both examples render the particular angles from which Verdery (1996a) and Staniszkis (1991) look at the state forms. From one hand, villagers are heavily dependent on the configurations of the state before and after decollectivization. From another hand, segmented state, constitutive of different ethnic groups with their own traditions and rituals, indicate the possible hybridity intrinsic to the state form. Such perspectives imply the framework where state form in Poland and Romania generates sources of power via removing or introducing new state

policies. Yet, this framework does not include the fact that new policies construe reconstitution of the state forms rather than its transformation to liberal-democratic configuration, expected by the officials. This example should be approached through the mediated context of Romanian decollectivization. Moreover, Verdery acknowledges that is highly inadvisable to generalize the particular pictures of the state to other countries. The case of bazaars renders the complete retreat of the state as a source of power, resulting in its failure to display any authority.

The collapse of the Soviet bloc, completely transformed the former socialist state-citizen relationship framework in Kazakhstan. According to Alexander (2007), in the Soviet times the government provided not only stable economic conditions; more specifically, it provided social cohesion and moral order. Alexander (2007) defines it as “social contract”. There was an implicit agreement that the state would provide citizens with all the basic amenities. In exchange, citizens were responsible for providing productive labor and compliance with the state.

The attitudes towards the state changed since 1990s. Welfare provision was greatly reduced, indicating retraction of state's care about its citizens. On the one hand, people were upset that the state stopped fulfilling its responsibilities and taking care of its citizens; they still demanded that the state should resume its obligations. On the other hand, people were critical of the officials who earned distrust and were fearful towards them. Thus, the state was perceived as a corrupted unit, often exerting its privileged political power and violence to achieve their goals (Nazpary 2002; Verdery 1991).

With the retreat of the state, the early post-socialist period saw the emergence of criminal gangs (Humphrey 2002). Humphrey stresses the importance of looking at the forms of the governance among criminal gangs and racketeers. By looking at the gangs, she argues that the concept of governance should be detached from being exclusively intrinsic to the state.

Manifestly, the collapse of the Soviet Union brought a complete retreat of the state and new forms of the governance – gangs, racketeers – emerged with peculiar governing laws. Humphrey parallels the sets of regulations inherent in criminal gangs with governmental laws. Her close up examination of the criminals sheds light on the forms of governance that independently emerged in post-socialism. Those forms of governance compensated for the lack of state regulatory regimes. Her analysis of the non-state governance echoes the way bazaars emerged with their own governing codes of conduct that maintained the inner structures.

Ironically, the post-socialist period produced another form of administrating the urban life. For instance, Terekhova (2008) discusses the ultimate power of the city authority in Moscow to shape the city for its own convenience. She parallels the new role of the state with contemporary Moscow's pompous and tasteless architecture; moreover, the author argues that those new buildings look like "lifeless theatrical props, animated only during the day by dramatized mass public festivals with music, beer and games which Moscow's mayor so loves to hold. (2008:9)"

The state, being part of the three-dimensional - economic, political and cultural - system, shapes and is constantly shaped by this system. This system is highly vulnerable to interstate and transnational processes (Gupta 1995). State can be constructed in secluded system, regardless of external processes. As opposed to the evolutionary perspective, state forms can move in either direction, regardless of the evolutionary system (Verdery 1996a). At the same time, forms of the state do not only imply transformations (Staniszki 1991). State forms are not only dependent on outside processes, but also constantly reconstitute and transformable, without outside processes.

Anthropology of the State

The scholarship related to conceptualizing the state has been evolving into various trajectories. Initially, the notion of state was affected by the postwar American political science (Mitchell 1991; Mitchell 1999). Although scholars admitted that the state is constituted of quotidian social practices, they saw the exercise of power and social control of the state apart from the civil society (Mitchell 1991). Thus, political scientists inhabited state-centric approach looking at the state as clearly bounded institution distinct from society (Mitchell 1991). The state was seen as unitary and autonomous actor, possessing the power to control populations within territory (Gupta 2006). This trajectory of conceptualizing state gradually hardened via discursive construction of the state as distinct entity with particular functions (Gupta 2006). As Nikolas Rose (1996) suggests, it is essential to also look at the knowledge-making practices that shape the notion of state.

Anthropological approach offers an alternative angle to the study of the state. It examines the state and its boundaries as culturally constructed, taking into account ideological and material aspects of state (Corrigan and Sayer 1985; Nugent 1994). The notion of state, subjected to the anthropological gaze, is being dissected into various branches and institutions, through which the mosaic of state is being assembled (Gupta 2006). Anthropologists treat the state as multi-layered, pluri-centered and even fluid (Hall 1986) and attempt to discern the conditions in which state is being seen as coherent and singular (Gupta 2006).

Anthropologist Akhil Gupta (1995) sees the state as dynamic and discursively constructed through powerful cultural practices. Gupta argues that the latter public cultural practices cannot be conceptualized only within the national boundaries. According to Gupta, the concept of state is a discursive construction dependent on various interstate and transnational processes.

Therefore, it should be approached through complex set of representations and practices. Gupta stresses the importance of the prism of multiple contexts through which state is mediated, instead of single locally mediated context.

Chapter 3: METHODOLOGY

Research subjects

My research involved contemporary salespeople, engaged in trading in the “Zeleniy” bazaar. I have interviewed 7 of them. My interest in collaboration with these particular people is due to their emergence as a distinct social category after the dismantling of the socialist regime. In their “past” lives, these people come from different backgrounds.

1) Gulzhamal (Kazakh, she is around 50 years old, sells Korean clothing for women) has been working in the bazaar for almost 15 years by now. Before that, she taught Russian and Kazakh languages in several public schools. Initially, she acquired a degree in Russian language and literature in Pedagogical Institute in Taraz. Having well-spoken literary Russian and tidy appearance, Gulzhamal hardly fit the image of an average trader, created by the public opinion. Every morning, Gulzhamal mopped the floor in her container and swept the pavement, unlike her neighboring traders. As she explained later it was a sign of respect towards the customers – a strategy to attract more people. In fact, people were often visiting Gulzhamal’s container, predominantly female customers, since Gulzhamal is selling only Korean female clothing (*zhenskie tovari iz Korei*).

2) Igor (Korean, around 40 years old, sells jeans for both men and women) – Igor and his wife never shared with me anything that is related to their past. Their present trading business is quite successful. They rent two big containers and two assistants (*realizator*) per each container.

3) Nadya (Uzbek, she is around 50 years old, sells fur coats for women) – Nadya worked as a cook in the hostel’s restaurant. When the Soviet Union collapsed, the hostel was privatized.

After that, she never wanted to return to her previous job. Thus, she started selling the vegetables, grown in her backyard. Selling vegetables brought a lot of income. Later, she started to invest money into reselling clothing, specifically fur coats.

4) Olya (around 50 years old, sells sportswear for men) – Before trading business, Aunt Olya worked as a supervisor in the state-subsidized bakery. She worked there until 1998, when she started to see that her earned salaries are not enough for descent living. In addition, the majority of her co-workers were forced out of their jobs. The bakery, being on a verge of bankruptcy, could not afford having too many employees. In the beginning, she was ashamed of working as a trader. She was hiding from her friends and co-workers, if she would see them in the bazaar. Nowadays, she wishes she could join the trading business much earlier.

5) Aunt Larissa (around 30-40 years old, sells spawning dresses) - Aunt Larissa previously worked as the sports teacher in public high school. She has been dealing with various types of goods throughout her career as a trader. She was one of the organizers of the protests, against bazaar administration's unfair actions.

6) Zukhra (24 years old, works as an assistant (realizator), sells home equipment) – According to Zukhra, it is difficult to find any jobs without giving bribes to the future employers. Unfortunately, she does not have money to do that. She decided to work as an assistant (*realizator*), because it one can earn a lot of money in a short period of time. She told me, that she will be hired to another job, after she earns enough money for bribing.

7) Oleg (23 years old, sells winter clothing both for men and women) – Oleg has recently graduated from the local university and got a degree in legal studies. Yet, he never found a job due to the lack of vacancies. Nonetheless, there were a couple of job offerings, yet, the salaries were too low. He rents a trading place where he sells winter clothing both for men and women.

Research methods

I have spent much time in the “Zeleniy” bazaar and in nearby territories to observe and record the way the bazaar traders interacted with representatives of bazaar administration, local municipality and local state organizations. The focus of observation was on common patterns, methods, social organization, interaction, and negotiation of boundaries between the bazaar traders and state representatives.

I used qualitative methods of data collection such as in-depth interviews and oral life histories. My objective was to reach understanding of traders' perspectives, especially in relation to the state. I stressed the importance of traders' narrative subjectivities through which the notion of state is symbolically conceptualized and substantiated (Gupta 1995).

The principle means of exploration was interviewing of traders during their work. Interviews were made with salespeople, without distinguishing their ethnic, economic gender or professional backgrounds – most important, the interviewees had to be engaged in trading regardless of the temporality of their trading practices.

Through interviewing method, I explored how traders in diverse ways encounter various forms of the state interventions into their everyday lives:

- direct/indirect taxation
- tracing roots of trading
- fire/sanitary protection
- infrastructure
- the relationship between bazaar administration and the state

– strikes

In-depth interviewing provided information on internal code of conduct in “Zeleniy” bazaar. Disclosure of the code of conduct allowed assessing the system of governance, maintaining internal culture of the bazaar (Humphrey 2002). Moreover, this information allowed me to look at the way this peculiar system of governance echoes with the state system regimes and regulations. I gained information on how emergence of trading transform the state body, thus, reshaping the state-citizenship relationships.

In addition to in-depth interviews, I used oral life interviews. By means of them, I gained a traders' vision of the state during socialist times, and more importantly, in post-socialist period. Through their life histories, I was able to explore the way symbolic meaning of the state has transformed in post-socialism.

Chapter 4: EMERGENCE OF POST-SOVIET TRADERS

This chapter describes the emergence of the main protagonists of this research – bazaar traders - in post-socialist Taraz, Kazakhstan. In to the aftermath of the collapse of the Soviet State that provided people both with goods and employment, the new class of traders emerged.

Kazakhstan, like many other Soviet Central Asian republics, was heavily subsidized by the center in Moscow (Nasritdinov 2006). It was used as a raw-material republic for producing coal, uranium and some minerals. During the Soviet Union period, Soviet industrial network connected Kazakhstan to several major industries in Russia and Central Asia. Yet, after the collapse of the Soviet Union, Kazakhstan had undergone harsh economic downturn. Unemployment rates skyrocketed, crime hit the streets and state affiliated enterprises halted their production (Nazpary 2002).

The disintegration of the state-planned economy left people who used to be on the payroll of the state to find their own means for living. The majority of the population in Kazakhstan was forced out of their jobs, because of miser salaries and few opportunities to develop. Wage arrears were a common phenomenon when teachers, doctors, pensioners and students could not receive their salaries, pensions and stipends for months in row. Such failure of the state to provide citizens with basic services and salaries led many to leave the state sector and find alternative means to earn. While the infrastructure for private sector was still rudimentary, many people survived by engaging in informal trading activities. Initially, the trade was spontaneous and organic. Traders occupied various places – on the streets, along the pathways, at home. Some

sold their household items such as books, kitchen utensils in order to get some cash. Other people went further to bring goods from one place to another and to generate income from the accrued. Gradually, traders could organize and regulate their own trading businesses.

The profit from the trade was a few times higher in comparison to the state job salaries (Kaneff 2002). Such profitability attracted more and more people. In a few years, the size of the bazaar trading has essentially grown. Fortunately for traders, all the revenues from the trade went to the traders themselves. Perceived as uncontrolled elements to be pounced on for fiscal purposes, traders were imposed with various forms of state control and regulation. Bureaucrats created regulations such as, taxations, sanitary control and police surveillance (Humphrey 1997). Gradually, state created certain domains through which it articulated itself in order to control trading.

Nowadays, after approximately twenty years, such formal state regulations are widespread. However, they did not allow the state to be articulated into bazaar trade as it was expected. On the contrary, those regulations often put traders in an uncertain relationship with the law, placing them in the hands of alternative networks (Humphrey 1997). In trade, these relations overwhelmingly tend to be personal relations and are different from the structure of state posts, even for people who are trading on behalf of state or former institutions. The almost universal attitude is that trade is not only largely unprotected by the state but is carried on more in the face than under the aegis of state laws and policies (Humphrey 1997).

The reactions of the rest of the population to the facts of trade are often negative, moreover, trade is often considered by them as undirected and contradictory (Humphrey 1997). Most commonly, traders' feelings about their activities are contradictory (Kaneff 2002). This peculiarity attributed to the trade is an interesting phenomenon. Caroline Humphrey argues that

this attitude comes from the “underswell of the habitus of people’s life” during socialist period (1997: page 21). At that time, trading existed only in a form of provision of basic consumer products, regulated by the Soviet state.

The contradictory perceptions of the trade by the people, including traders themselves, and uncertain relationship with the state signal the paradoxical nature of the traders’ setting. To analyze the phenomenon of traders in post-socialist Taraz, I will look at the everyday practices of the “Zeleniy” bazaar traders in relation to bureaucratic domains with which the state is commonly associated. This way of looking at the state is informed by the idea of state-effect, introduced by Timothy Mitchell. Instead of thinking of post-socialist state in Kazakhstan through defining its boundaries, I explore the state through the domains between the post-socialist state and traders that enabled traders’ everyday practices. Such perspective of the state power accurately reveals the phenomenon of traders in relation to post-socialist state.

Chapter 5: ENCOUNTERING THE STATE IN EVERYDAY LIFE

In this chapter, I focus on the areas that have been commonly associated with or against the domains of the state in particular: property structure, system of distribution, legal contracts and their enforcement, taxation, provision of services such as fire prevention, sanitary inspection, infrastructure and organization of strikes. These are responsibilities of the post-socialist state. These functions represent a much more decreased state than it used to be during the socialist period. Through these regulated services, the state and citizens come into contact. In the case of bazaar traders in post-socialist Taraz, however, attention to these areas shows that the situation is more complicated. The traders, who had chosen their occupation as the result of their own initiative and the decision to abandon their dependency on the state, relate to the bazaar administration that is supposed to represent the state in a number of contradictory ways. On the one hand, they view the bazaar administration as an organization that should protect and support traders through providing them with various services. On the other hand, their mundane trading practices indicate their self-dependency and self-government without the help of bazaar administration and the state. Aside from that, traders often remain ignorant and sometimes even circumvent the official laws and regulations, thinking of them as a mere source of complication. Such attitude towards the official state domains of laws and regulations only blurs the boundaries between the traders and the state.

Learning How to Trade

Before investigating how bazaar traders interact with the state in contemporary Taraz, it is important to understand the historical conditions that gave rise to trading. Despite the fact that

bazaar trading never existed during Soviet Union, it is quite obvious that people did not invent bazaar trading from air. They started trading by drawing on the remaining resources of the socialist state.

The patterns of trading already existed before the collapse of the Soviet Union. One of my informants (aunt Nadya – seller of the fur coats) said that she decided to start selling in 1992 – one year after Kazakhstan announced its independence from the Soviet Union. She was having a little newly born baby in 1988, thus, her previous employer gave permission to have paid maternity leave. She stayed at home, taking care of her little baby for three years. Later, her husband was forced out from his job. As she recollected, those days were especially difficult for them.

“Our family had difficult times. We had no money at that time. My co-workers in my previous job, decided to go back, but working conditions were not as during the Soviet Union. It happened so, because our hostel was bought by a rich businessman. He changed everything: salaries were lower, we had to work more. During Soviet times, our hostel administration allowed us to take unused products from the hostel’s cafeteria. We could support our families. Yet, after it was privatized, the new administration did not allow taking unused products home. The owner of the hostel sold everything to other places or used it in his other privately owned business ventures. Most of my friends-colleagues left this job, and started to sell things” (aunt Nadya, seller of the sportswear for men).

This excerpt shows the process in which Aunt Nadya and her family sought to survive during the process of economic collapse and privatization. Aunt Nadya and her co-workers were forced out of their jobs by the change of ownership from being state-owned to private property. Her memories of the Soviet period work show that it was customary for the workers to use the state resources for their own private benefit. They could support their families by taking extra food from the cafeteria of the workplace. After leaving her job, she first decided to sell

vegetables, which her family grew in their backyard. Others sold unnecessary paraphernalia that they had at home.

Even though, Aunt Nadya could not continue in the same manner at her hostel after its ownership changed, her other friends who worked at a warehouse were able to survive because of their access to goods at work. Such practice became quite profitable because of the deficit of goods caused by the collapse system of distribution of goods, managed by the Soviet state.

“A friend of mine was working in the warehouse in which goods were stored. From the warehouse, bureaucrats allocated goods to the state-owned shops. Prices were written on the goods, so sellers could not increase prices. In fact, they did not need to do that, because they had descent salaries enough for good living. After Soviet Union collapsed, we lost everything” (aunt Nadya, seller of the fur coats)

This excerpt illustrates that the people who were in charge of the warehouses in the Soviet period were in a better position when it came to engaging in bazaar trade. Because of their privileged access to goods, they were able to buy them cheaply and resell them at higher value. In fact, these positions for warehouse workers (*skladchik*, *skladchitsa*) were very desirable during the Soviet period. Very often, these workers indeed appropriated these products that had frequently been in shortage before and gave them to their friends and family in exchange for other favors.

Altogether, an investigation of the stories of becoming bazaar traders shows that even though the effect of starting to trade was to develop self-dependency and to stop expecting the state's care, in fact, many traders began their sales due to some previous practices. Many of their

entrepreneurial strategies developed as the result of working in Soviet organizations that were all owned by the state.

Property structure of the bazaar

The first and foremost domain through which traders' status could be clearly defined in relation to the state is the structure of the property of the bazaar. Unlike other private business ventures, the structure and the status of the bazaar ownership are unclear. Several times during the interviews, traders mentioned different areas of the "Zeleniy" bazaar. In the beginning, I assumed that this was mere spatial division of the bazaar or simple informal mapping of the bazaar adopted for convenience. Later I found out that contrary to my assumptions, these divisions correspond to the properties of three different businessmen.

"We usually refer to our bazaar as "Zeleniy" bazaar. Yet, this area (where people sell goods in containers), I think, is owned by Gafur – local businessman. This area of the bazaar has higher status, because there are only containers here that predominantly sell clothing. As for Gafur (owner), we have met him several times, that is how we got to know him. As for the other areas in the bazaar, I have heard that it is owned by other businessman, but I am not sure about this fact. I do not really care about this, as long as they do not disturb me and I able to earn my money" (Oleg, seller of the winter clothing both for men and women)

The informal mapping of the bazaar among traders was correctly indicating the privately owned areas of the whole bazaar. Yet, not all of my informants were aware of the owners and the property structure of the "Zeleniy" bazaar. During my observations, I was looking for any specific signs, indicating spatial boundaries between privately owned areas of the same bazaar. Unfortunately, I could not find any of them. All the trading places have merged, moreover, traders themselves were not concerned to whom their rented trading place belongs to. Even at my request, they could only guess.

In order to clarify the structure of the property of the bazaar, I decided to visit bazaar administration office, located near “Zeleniy” bazaar. I crossed the street and, as I was told, I saw a medium sized house that had “bazaar administration’s office” sign on it.

I became a little nervous, expecting to have to talk to the bazaar administrators. However, nobody was inside the building. I entered the building, because the door was open. It looked like a house rather than the bazaar administration’s office. I rang the bell, but nobody responded.

There were no signs of anybody being inside at that moment. All the doors were closed and only one door was wide open. In that room, I saw few people repairing that room. I waited for a while, but nobody came. I decided to leave, when young woman entered the door. I have asked her whether I could talk to administrators of the bazaar. She did not seem to care about my intention to have a conversation, so she quickly grumbled that she does not know when they will come. Then, she immediately left, thus, leaving me with my questions unanswered.

This situation best describes the nature of the bazaar administration in relation to traders or outsiders. An outsider – passer-by - would immediately note the presence of the bazaar administration looking at it from the outside. Yet, if that outsider enters the building, he will see only empty building with no administrators or employees, in other words, a “ghost building.” Similarly, bazaar administration seemingly has a powerful presence in the bazaars, however, there are no specific signs or markings that express its physical presence. What is more interesting is that the state presence is feasible for bazaar administrators and outsiders. As for traders, they do not seem to care much whether state is present or not.

The relationship between bazaar administration and the state

The overlapping relationship between the state and the bazaar owners/administrators from the perspective of bazaar traders is another site where we could investigate the state “effect.” On the one hand, the bazaar owners and administrators act as private property owners. They rent their property to individual sellers. On the other hand, the bazaar administration also has to perform the functions of the state. For instance, the bazaar owners have to administer taxes and to ensure fire safety and appropriate sanitary conditions. They also have to provide security and regulate relations between various traders by providing a set of rules by which everyone has to operate.

Moreover, there is another level at which the bazaar owners/administrators overlap with the state. Many traders see the local officials to be closely related to the bazaar owners. In fact, there was a time when one of the unofficial owners of the bazaar was the mayor of Taraz. Most often, the local officials see the bazaar as the source of income, both official and non-official. They provide the bazaar administrators with autonomy by not enforcing some of their regulations. In exchange, they receive bribes for looking the other way.

“A lot of state officials are being bribed by the businessmen that own “Zeleniy” bazaar. Usually, they do not give bribes directly; it is too dangerous, because they can be caught. Often, bribing is conducted in a form of transferring the ownership rights of trading places within the bazaar. That allows rent the trading places to other traders, who pay the rent to those people. Otherwise, bazaar would never survive, because it violates so many laws and regulations. Having their shares in the bazaar, state officials are not interested in destroying it” (Igor, seller of the jeans)

“An acquaintance of mine works in department of finance police in Taraz. He told us that the head of our department and the owner of the bazaar are close friends. Moreover, the head of the department of finance police has approximately ten trading places in the bazaar. Thus, the workers of the finance police department rarely control bazaar business” (Larissa, seller of the spawning dresses)

Apparently, most of the officials gradually became part of the trading business itself. This

example demonstrates how trading business transforms the local state agencies. The local officials see the bazaar as a source of income. As the result of this autonomization, some of the responsibilities of the state are transferred to the bazaar administration. Therefore, I focus on how bazaar administration implements the tasks of the state as well as how bazaar traders relate to these interactions. Below, I show that bazaar traders often fall back on the Soviet ways of interacting with the state.

Formal and Informal Contracts

Before entering the trading business, traders have to sign agreements, issued by the bazaar administration. This agreement states the rights and responsibilities of the tenants (traders) and renter (bazaar administration). According to it, bazaar traders pay money for renting a specific area within the privately owned land area. The renter (bazaar administration) is responsible for conducting sanitary and fire inspections and for rendering services related to electricity installation, repairing and improvement of nearby territories. The tenants (traders) on the other hand, have to pay their monthly taxes on time. What is interesting is that these legal documents differ from what happens in reality. For instance, when people come into contact with the bazaar administrators, they are asked to pay additional amount of money, which is not indicated in the agreement. As one of my informants, Igor told me, the price for his renting was not mentioned in the text of the legal agreement. Igor said: "Agreements are only formality." Thus, for him, there were two levels at which he interacted with the bazaar administration. One was formal, on paper. The other one was based on verbal agreement. Even though some people protested such conditions, there was little room for disagreement. Zukhra, the seller of house equipment told: "Some people were displeased with such non-transparent terms of the agreement. But they were told to shut up; otherwise, they could lose their working places".

According to Zukhra, if the state legalizes the trading business, then it will be difficult for most of the state bureaucrats, who hold an interest in trading business, to earn their secondary money.

As for traders, they are often unable to request any support both from administration and the local municipality. They are often afraid to resist rules and regulations, imposed by the bazaar administrators, even if their rights are being violated. For example, bazaar administration never provides services to build structures that protect from the unstable weather conditions. Another duty of the bazaar administration, which was clearly stated in the contract, was installation of the electricity for every trading place. As my informants told me, bazaar administrators never fulfill their rights and responsibilities in accord with the contract. They often refer to a lack of money to spend it for such things.

Some traders tried to defend their rights, but as I was told many times during the interviews, bazaar administrators bribe local state municipality. This probably explains the reason why so many complaints are being constantly neglected by the local state organizations.

“It is meaningless to complain to the state bureaucrats. I am sure that the local state municipality has its own share from the illegal profits, gained from us. We have complained about many things, but nothing ever changed. So, most of us decided to give up this” (Igor, seller of the jeans)

As one can see, the issue of placing agreements is only the tip of the iceberg. Placement of the agreement is done simply for a formality. Its content does not reflect the true nature of the activity and respective legal rights and regulations. Moreover, the local state organizations never inspect, control or enhance the legal conditions for trading business. One of my informants, who has a degree in law, said that bazaar administration and local municipality would lose the lion’s share of the illegally gained profits in case of enhancing the legal part of the trading business.

As a matter of fact, agreement is not the only issue that reveals the ambiguity of the

relationship between bazaar traders and the state. In order to provide a detailed account of such relationships, I will describe the system of direct/indirect taxation, provision of sanitary and fire protection by the state.

Direct/Indirect taxation

Bazaar traders are obliged to pay two kinds of taxes – daily tax for trading (*nalog na trgovlyu*) and monthly tax for renting a trading spot (*nalog na arendu trgovogo mesta*). Daily tax is considerably smaller than the monthly tax. According to my informants, daily tax grants the right to sell any kind of goods for one day. As for the monthly tax, it is paid for renting the trading place in a given area within the bazaar.

Daily tax for the right to sell

During one of my observations, I noticed casually dressed person, approaching the traders and telling them to pay the tax. After taking money, he marked something in his worn-out notebook, while trying to have a small conversation with the traders. He asked questions about their health, mood and whether goods are being sold. Obviously, he knew traders and they knew him well. Sometimes he would just walk away, seeing that trader is busy, having many buyers. Sometimes he was asked to come later, because of the lack of buyers. Other than that, he usually received requested amounts of money.

According to my informants, every trader has to pay daily tax for the right to sell (*nalog na trgovlyu*). The guy, described above, is a tax collector. He is employed by the bazaar administration. After paying the tax, tax collector gives traders small pieces of paper with small typed inscriptions on it. As my informants explained me, this little piece of document

authenticates that the daily tax was paid. In fact, it is the only document that verifies the presence of the tax since there is not even a word about it in the agreement.

After a close inspection of the document, I noticed that there was no signature or stamping on the document. I immediately asked my informants, whether they know about it. They did, but, surprisingly, it seemed that they were not concerned about it.

“These little pieces of paper are just a matter of formality. It is just an indication whether the daily tax was paid or not. They are just given so the tax collector could know who paid the daily tax and who did not. As you can see, our bazaar is quite big and there are a lot of traders. It is very difficult to keep track of everybody. Moreover, we know these tax collectors very well. If there are any problems, we could easily solve it. You know, everybody wants peace and no troubles. ” (Aunt Olya, seller of the sportswear for men)

Obviously, traders were not troubled by the fact that an obligation to pay daily tax is not even indicated in the agreement. Likewise, the absence of the signature or stamping, displaying the legality of the daily tax, was never questioned. In addition, traders did not know how money from collected taxes is spent.

“Hmm... I do not know how they [bazaar administration] come up with this amount of money to be paid to them. We never asked them, and ... yes, that is an interesting question... Why do we pay this money? (Smiling)” (Aunt Nadya, seller of the winter fur coats)

“You know, they (bazaar administrators) just told us that we have to pay this amount of money. Otherwise, they said, we can go and work in other places. So, we did what they told us to do, because we did not have any other choice...” (Uncle Igor, sells jeans for both females and males).

“Bazaar administration once told us that they collect this tax for the local state tax department. In other words, this money was paid not to the administrators, but to the state budget. And, certainly, they did not show us any official documents that would verify their verbal explanations” (Larissa, seller of the spawning dresses)

It is surprising to evidence the non-transparent nature of the daily taxes. Even more astonishing is the fact that bazaar traders abide this regulation, without even questioning it.

Another factor that indicates the non-transparency of the daily tax is personalization of the relationships between traders and the tax collectors. Traders and tax collectors have rather informal relationships with each other. Often, issues regarding daily tax payments are handled on the spot without interference of the higher bazaar authorities or any other outside state parties.

Sometimes traders deceive tax collectors. One of the traders (Gulzhamal, seller of Korean clothing for women), who has been engaged in trading for many years, has shared with me one of the secret of deceiving tax collectors. She does it during the days when there are almost no buyers in the bazaar and she has to come back without any earnings. In order not to pay a daily tax, she closes her container before the tax collector comes. Due to the absence of the traders, there is no reason to pay the daily tax. After a while she opens her container and continues to sell her goods. Still, she remarked that sometimes this scheme of deception works and sometimes it does not. If often happened, she said, that tax collectors conduct repeated raid.

Fortunately for tax collectors, such deception scheme only works for traders, owning a container. They keep their goods in the container, unlike the traders who sell their goods via the open-air stands. The last have to spend a lot of time to unpack and display their goods in the beginning of the day. At the end of the working day, they have to pack their goods and send them to the protected storage room, located in the bazaar. Thus, they cannot quickly disappear while the tax collectors conduct their raid.

Going back to the container owners who have invented a deception scheme, they are not afraid of such performance, considering daily taxes as informal source of “milking” money from the traders:

“Usually, tax collectors have to collect fixed amount of money, later given to the bazaar’s administration. The rest of the collected money goes straight to their

pockets (they can use it for their own purposes). Thus, they are willing to collect more money from us, because the amount of their own earnings depends on the amount collected from us” (Gulzhamal, seller of the Korean clothing for women).

Imposition of the daily taxes tells us a lot about the way traders behave in relation to such regulations. Notwithstanding that traders pay their own money, the nature of the daily tax remains to be a mystery. Some of them invented a deception scheme, some blame bazaar’s administrator, yet all of them accept the daily tax as an obligation that of similar to the state law, while the legal essence of the daily tax itself could be easily questioned.

Monthly Tax for Rent

In addition to the daily tax, there is another type of tax – monthly tax. It is paid directly to the bazaar administration. “The amount of the tax is too high to entrust it to the tax collectors” – one of my informants noted with a smile on his face. According to him, head of the bazaar tries to avoid any unpleasant issues over money with his employees.

There are higher amounts, and they depend on whether traders possess containers or occupy an open-air stand. It also varies depending on the size of the place. It is paid at the end of each month. The sum of money is passed over directly to the bazaar’s administrators. As a form of confirmation, traders receive an official document that verifies the payment of the monthly tax. This document, unlike the daily tax certificate, has signatures and stamping on it. According to it, monthly tax is paid in order to cover the expenses for renting a place, taking into consideration its size and type.

Field of tax payments is one of the most evident relationships through which boundaries between the society and the state are drawn. Yet, in bazaars, traders are not being told about how the tax rates are calculated and distributed. Moreover, traders themselves seem to be not

concerned regarding the taxes. Such contradictory example reveals the ambiguous relationship between the state and the traders in which the taxation domain of the state is unclear and ambiguous.

Sanitary/Fire Inspection and Infrastructure

According to the contracts, bazaar administration has to provide services related to sanitary/fire protection and to look after the area within the bazaar. Despite the imposed regular taxation upon traders, the administration rarely provides any prescribed services. On top of that, sanitary and fire protection inspections are never conducted, while that is clearly stated as a duty, performed by the representatives of the local sanitary/fire inspection committee.

“Fire and sanitary inspection? These organizations have probably never stepped into the territory of the bazaar in order to conduct their regular inspections. As I told you, many things, written in the agreement, are done so for simple formality”
(Igor, seller of the jeans for females and males)

Unlike other services, the regular inspection of fire protection and sanitary services is a direct obligation that must be performed the state officials. In reality, they do so only in emergency situations. In order to protect their trading places from xxx, traders equip their trading places at their own expenses.

Similarly, improvement of the enclosed areas is also conducted and funded by traders themselves. Infrastructure such as water canals or pavement is a basic service that the administration fails to provide. Usually, traders gather in groups of several people, create an informal fund and spend it for necessary things such as cementing the pathways between the trading places and building roofs above the area. For instance, Aiman explained the process of her decision to take care of the pavement next to her container:

“Before, I have often had a lack of customers, because every time after winter, all the snow would melt and flood the pathway. Customers did not want to get wet, thus, they avoided passing by my stand. People affected gathered and filed a complaint to bazaar’s administration. They’ve had some guy, trying to remove the water, but it was useless. And he did it only once a day. We’ve complained second time and asked to build a cemented platform, but head of the bazaar told us he will do that if we will pay money. See... they never help. So, we decided to solve this problem on our own. We gathered money, bought equipment and hired people to build cemented platforms” (Gulzhamal, seller of Korean clothing for women)

Despite the responsibilities stated in the agreement, bazaar’s administration failed to meet traders’ request related to improving the nearby areas. Gradually, they had to take all of the duties and responsibilities both of the bazaar’s administration and the state organizations upon themselves.

The empirical information and the interviews have shown the ways bazaar traders negotiate the state domains through legal contracts and their enforcement, taxation, provision of services such as fire prevention, sanitary inspection, and infrastructure. These are the instruments of post-socialist state that facilitate the state presence in such setting as the bazaar. Yet, the closer study of these domains reveal a much more decreased state than it used to be during socialist period. Through these services, the state and citizens come into contract. In the case of bazaar traders in post-socialist Taraz, however, attention to these areas shows that the situation is more complicated. The traders, who had chosen their occupation as the result of their own initiative and the decision to abandon their dependency on the state, relate to the bazaar administration that is supposed to represent the state in a number of contradictory ways. On the one hand, they view the bazaar administration as an organization that should help traders through supporting them in various instances. On the other hand, they relate to them as a meaningless object due to the fact that they can take care of themselves without having it. According to the placed trading contracts, bazaar administration and the state agencies are ought to engage in the relationships

with bazaar traders in which the first ones ought to protect and support trading and the last should obey the rules and follow the regulations. Despite the fact that trades often complain about the bazaar administration and state agencies not performing its duties, their practices show that they have learned how to manage trading business on their own. Moreover, their practices reveal that they often ignore or circumvent the official laws and regulations, thus, making it more difficult for a state agency or bazaar administration to help and support traders through regulating it.

The Strike

In the spring of 2007, several thousands of people, predominantly bazaar traders, blocked the traffic on the main square of the city, where local city hall is located. Their main complaint was related to the absurd actions of the owner of the bazaar. Several months earlier, he had announced in his privately owned newspaper that the whole bazaar will be moved to a newly built area. As he told to a newspaper reporter, the issue with distribution of the new trading places had been already solved. Each trader would receive a new trading place, yet they would have to incur debts from the banks in order to pay their new trading places in a new bazaar. He briefly mentioned that new agreements with the bank and prospective agreements with traders had been prepared. Thus, he said that there is no need to worry.

When traders found out about the amount of the debts to be paid back to the banks, they were shocked. According to approximate calculation, each trading place in a new bazaar was worth of forty-fifty thousands of U.S. dollars. All of the bazaar traders became frustrated, yet, they all knew that this was another grand deception scheme according to which bazaar administration tried to get more profits.

Most of the traders decided to protest against such rules. Aunt Larissa (seller of the spawning dresses for women) was one of the organizers of this protest:

“We could not let this happen, because that was impossible. If this would happen, we would be financially enslaved for another twenty years of our lives by the administration of the “Zeleniy” bazaar. We pay so much money both in the form of tax and bribes; it is never enough for them. Sadly, everybody in the bazaar was talking about this strange announcement, but nobody really did anything. I do not know what happened to those people. So, I decided that I should appeal to my co-workers and the rest of the “Zeleniy” bazaar”.

Fortunately, traders won that unequal battle. According to Larissa, bazaar traders even wrote a letter to the president of the country. They had protested in front of the city hall on the main square for several days until the mayor of the city promised all of them that no replacement would take place.

I have asked Aunt Larissa, whether she attempted to call people to protest in order to improve many other contemporary unequal conditions. She said that she had tried many times, but it never worked again:

“Even during that protest, not everybody agreed to participate. I asked people to create a common fund, so each one of them contributed one thousand tenge (approximately eight U.S. dollars). Yet, no one did. Some people did not even want to give fifty tenge (approximately forty U.S. cents). Fortunately, the majority of bazaar traders participated and we were able to accomplish our goals. So, everybody became proud and satisfied of themselves. As for now, when I try to appeal to people, they often seem to be passive. I do not know whether people were afraid or ignorant of the things, happening around, but it is very difficult to organize anything like that. It seems that everybody will not even move a finger, until things get very bad, because bazaar traders are waiting while somebody will do things for them. Everyone is always interested in his personal business and benefits.... As for the bazaar administration, I have tried to appeal to bazaar administrators regarding some things, but it did not work either”

Aunt Larissa has not told me about the details of her conversations with bazaar administrators, but later, during my interviews with other traders, I have heard several times that she was threatened and asked to stop being initiative; if not, she was told she will lose her trading

place. This example demonstrates the way bazaar traders' perceptions of the state embodies the one, intrinsic to the Soviet Union. On the hand, people's trading activities reveal that they are taking care of themselves through taking the burden on their own shoulders. On the other hand, they still perceive the state as paternalist, thus, waiting for protection from the state.

Chapter 6: FINDINGS

In this chapter, I discuss the findings of my research through relating them to existing scholarship on post-socialism that addresses the relationship between society and the state. In the beginning, I discuss how scholars (Yurchak 2001, Hoffman 2006) have argued that certain social transformations, often perceived as post-socialist phenomenon, are rooted in the past. I bring those examples in order to draw a parallel line between their empirical data and the case of bazaar traders in post-socialist Taraz, Kazakhstan. As a result, I describe the continuities that exist between mundane practices during both socialism and post-socialism in relation to the state.

Continuities

Many post-socialist social transformations are often misleadingly perceived as a direct effect of the collapse of the Soviet system. For example, the emergence of entrepreneurs after the decay of the Soviet Union has been predominantly seen as a post-socialist phenomenon. Such perspective was questioned by Alexei Yurchak (2001). Through his ethnography on Russian entrepreneurs, Yurchak reveals that elements of entrepreneurial rationality were already mushrooming in the 1960s in the Soviet Union. Such behavior was directed towards profit-making despite the fact that socialist regime had no types of private businesses or markets (Yurchak 2001). Through detailed interviewing of various businessmen in post-socialist Russia, Alexei Yurchak (2001) describes how their success is related to their ability to circumvent the Soviet state laws, rules and regulations during 1960s.

Such contradictory behavior triggered particular social context of the people vis-à-vis the socialist state. From one hand, people were willing to obey the laws. From another hand, they

often circumvented the laws that seemed to them as antidemocratic. Such paradoxical relationship informed the success of the businessmen in contemporary post-socialist Russia.

Another example of such continuity between present social behavior and past legacy is evident in post-socialist China (Hoffman 2006). Contemporary government attempts to foster the development of “human capital” by focusing on the freshly graduated college students (Hoffman 2006). In late-socialist China, college graduates no longer receive state assigned jobs; instead, they attend job fairs which are driven by the neoliberal rationalities that in place of state planning. Nonetheless, Hoffman argues (2006) that graduates think not only in terms of pure profit-making, but also in terms of contributing to the society when applying for a job. As such, their actions are often informed by the social values, created during Maoist regime. As one can see, Hoffman (2006) reveals the relationship between present strategies and the past legacy of the state planning.

Both Hoffman (2006) and Yurchak (2001) base their arguments through addressing the behavior of the state subjects – post-socialist citizens. Their subjectivities and mundane practices allow revealing of the subtle continuities and relationships between the present and the past. Following Hoffman (2006) and Yurchak (2001), I argue that there is continuity in (1) mundane practices of the traders and (2) in their perceptions in relation to both socialist and post-socialist states.

The Soviet state was commonly perceived as an oppressive institution that imposed strict regulatory regimes upon its citizens. For example, anthropologist Katherine Verdery in her article “The Etatization of Time in Ceausescu's Romania” argues that the state attempted to create socialist subjects from the human bodies through certain state-planned projects. In Romania, the

Communist party organized and appropriated citizens' time through various state practices such as parades, meetings, labor appropriation and etc. Verdery (1996) shows how socialist state controlled and regulated citizens' private lives via the expropriation of time and she sees the communist state as oppressive and overarching.

Yet, the anthropologist Alexei Yurchak (1997) offers an alternative picture of the interaction between citizens and the state. In “The Cynical Reason of Late Socialism: Power, Pretense, and the Anekdot”, Yurchak claims that state socialist “subjects” were still able to create their own parallel nonofficial spheres. Despite the “immutability” of the state ideological propaganda, imposed on citizens, the citizens did not perceive it as oppressive. While the state was perceived as omnipresent and immutable, the Soviet citizen-subjects fostered and maintained their parallel private spaces. For example, citizens participated in state-orchestrated parades or meetings without seriously taking into consideration their meaning.

Yurchak’s ethnographic account explains the ways bazaar traders negotiate the state domains such as placement of the contracts, fire and sanitary inspection, infrastructure. In spite of the fact, that bazaar trading was different unique setting, traders were able to self-govern and self-organize their trading business. That ability was already developed during the Soviet times, when citizens created their parallel private spheres.

However, during socialist era, citizens maintained their private sphere directly in relation to the state, because socialist state attempted to control and regulate citizen’s lives. As for post-socialist era, the state ceased to regulate citizens’ lives and the burden of the state was partially handed to the bazaar administration. The level of the state presence essentially decreased. In contrary to the socialist state, bazaar administration or post-socialist state does not intervene into the traders’ lives through regulating and controlling the trading activities via proper taxations,

enforcement of the duties, mentioned in the contracts, provision of services and etc.

Paradoxically, the post-socialist state seems to gradually adjust to bazaar traders mundane practices that foster and maintain their private spheres. It is powerless to do otherwise, since the conventional state instruments are unable to assert its presence into the private spheres of the bazaar traders.

Chapter 7: Conclusion

This study has investigated how bazaar traders who have emerged most prominently after the collapse of the Soviet state have reconfigured their concepts of the state and their practices in relation to the state. Drawing on the anthropological studies of the state that urge to examine how the state is encountered in everyday life, I studied how the bazaar traders reshape the father-state by transferring responsibilities for their own well-being to themselves. Survival, retirement pension, their working places – all these are now the responsibilities of bazaar traders themselves.

However, as I studied the areas of the state that are commonly associated with the liberal market where the role of the government is minimal (providing legal framework, taxation, infrastructure, and safety), my ethnography showed that the relation of traders to these interventions of the state is not so new. Traders do not see the role of the state as altogether different. In fact, as my ethnographic material shows, the attitude towards the Soviet state becomes applied on the bazaar administration.

Studying the state through looking at the mundane practices of bazaar traders shed light on hidden continuities. The practices of bazaar traders, which could be simply characterized as managing their lives avoiding the post-socialist state, are informed by the prior Soviet state regime that controlled and regulated citizens' lives. Nonetheless, socialist citizens created their own private parallel spheres without state's presence. Although, the post-socialist state is unable to maintain such overarching control since the collapse of the Soviet Union, bazaar traders never quit their parallel spaces nowadays (Yurchak 1997). Thus, studying the state as symbolically and culturally produced by the bazaar traders allow us to trace deeper continuities between the post-

socialism and socialism.

Anthropological approach of the post-socialist state not only provides with the knowledge on how the state is being produced through daily practices of the bazaar traders. Such perspective of the state allows tracing the processes that have informed and affected the constitution of any particular state. As such, it embraces the directions to “historicize” the processes, embodying the state (Mitchell 2006).

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