Better a Hundred Friends than a Hundred Rubles?

Social Networks in Transition
—The Kyrgyz Republic

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FOREWORD

This is a fascinating, if altogether depressing, study of the fate of once-vibrant social networks in the wake of the breakup of the Soviet Union and the Soviet economy. It demonstrates the utility of separating for purposes of analysis such elements of currently popular notions of social capital as social networks, trust, and norms of reciprocity. It also demonstrates the powerful impact of poverty and economic dislocation on previously strong stocks of social capital. And it raises pressing questions about policy prescriptions for societies experiencing rapid economic transformation and social differentiation. I will take up each of these themes in turn.

First, the study wisely chooses to focus its attention on just one crucial element of the widely popularized notion of social capital, namely social networks and the resources to which they give access. Clearly, both trust and norms of reciprocity are implicated in this analysis. But trust, particularly the “generalized social trust” of the political scientists, is clearly an emergent property of social relations, not the source of these relationships; and, though it may facilitate their maintenance, the relationships come first and may be based on a variety of motives apart from trust. The accounts collected here demonstrate that social relationships may be maintained in the absence of trust, sometimes as a result of simple consanguinity or institutionalized behaviors, sometimes via direct monetary exchanges. Norms of reciprocity play a special role in this account because of the widespread and highly institutionalized practice of gift exchange in Kyrgyz society, but networks may extend beyond customary gift relations even as they are transformed by the increasing marketization of social relations and the decreasing ability of the poor to live up to prevailing norms. The focus on networks helps, then, to highlight the complexity of these relationships and to avoid the myopia induced by regarding networks, trust and norms as all indistinguishably united in something called “social capital.”

The study also illustrates with sometimes painful clarity the ways in which poverty and economic dislocation can attack and distort previously strong institutions and the social capital they both helped build and depended upon. In this respect, it confirms a long line of anthropological studies that show how under conditions of scarcity, social networks contract, with varying degrees of rapidity, until, under extreme conditions, first larger neighborly and kinship structures fragment, then even the nuclear family disintegrates. (Marshall Sahlins [1972] has summarized much of the anthropological literature in this regard; William Wilson [1996] discusses the relationship between labor market structure and family structure.) Thus, while social capital may facilitate economic interactions for all in good times and for the better-off in the contemporary Kyrgyz Republic, and while it continues to provide important survival mechanisms for the poor under present conditions, it is not the motor of development but its accompaniment; and it can be severely undermined during hard times. Finally, the study makes clear that the exchange value of social capital depends very much upon the resources to which social networks give access. As the authors note, “previously well-connected individuals whose networks are embedded in a declining sector such as collective agriculture may find their social capital has completely eroded. While they may have maintained their networks, the types of resources to which these networks provide access have lost their usefulness and therefore their value.”

As the authors point out, it is extremely difficult to disentangle the various factors contributing to the contemporary malaise outlined here. The “traditional” practices of gift exchange, for example, seem to have contributed to the inability of the poor to maintain wider network relations, even among family members, under the present circumstances. Thus, widespread “norms of reciprocity” prove distinctly dysfunctional for poor and rich alike as poverty deepens in an increasingly marketized society. At the same time, poverty clearly plays a central role in undermining the solidaristic functions of gift-giving norms. Marketization likewise plays an important role here. Enthusiasts of market reform should be especially pleased to see how far market norms have penetrated Kyrgyz society, extending even to the purchase of grades and friendship in both highly competitive and
monopolistic markets! In a product and cash-starved economy, money payments are valued at every turn, and traditional gift-giving has increasingly entailed monetary outlays that the poor are unable to afford. Some among the non-poor, moreover, appear increasingly obliged to “up the ante” in gift-giving exercises to prove that they have the means to do so, even as they break with earlier, kin-based norms of reciprocity.

Privatization has contributed to increasing poverty, but it has also affected social networks, as the collapse of large enterprises and privatization of collective farms has deprived many people of the workplaces in which materially important social networks were formed. The breakdown of rural infrastructure also plays an important role in this story, not only exacerbating poverty, but cutting the rural poor off from distant relationships that might help them cope with their situation. Finally, Soviet-era practices of reliance upon blat and bribery contributed social connections but also may have paved the way for the widespread corruption reported here.

To my mind, the special contribution of this study is to show how poverty and increasing inequality have transformed traditional norms from a basis for solidarity into a basis for social differentiation, which in turn has exacerbated problems of poverty and isolation. At the same time, it demonstrates how, given these norms, the poor themselves withdraw from social relations, deepening their isolation and “leveling down” their remaining social capital. I was prepared to see an increasingly prosperous few with their feet firmly planted in market society (and corruption) abandoning their traditional obligations. But I was unprepared to see them cutting off their poor relations out of solicitude for their pride or to see the poor themselves increasingly backing out of kin networks for lack of the funds to support traditional obligations.

Poverty excludes the poor from participating in many forms of exchange, and privatization has had the unforeseen consequences of breaking, or rendering relatively valueless, previous workplace ties. It would, nevertheless, be logical that cooperative forms of organization should be supported for the “added value” they might give to both economic endeavors and social networks. Consumer coops, marketing coops, small-scale credit associations, and community organizations of all sorts have a better chance of re-establishing ties between poor and non-poor, rural and urban communities, and community members and public officials than individuals alone generally would have. Interestingly, Robert Putnam, in amassing support for his thesis on the efficacy of social capital in Making Democracy Work (Putnam et al. 1993), cites as evidence in his favor Esman and Uphoff’s observation (1984), now apparently unfashionable, that wherever you find successful economic development in the rural sector of the developing world, you find community organization. My own work in rural Mexico convinces me that even under constrained conditions, where much distrust has followed earlier top-down organization, vibrant economic organizations could be created from the ground up, given real possibilities for gain—and concrete experiences thereof—for poor producers (see also Bartra et al. 1991, Celis et al. 1991, and Fox 1996). Such organizations require nurture—operational support, targeted subsidies, occasional direct aid—but they can pay off thanks to economies of scale and community support. Surely, community organization of one sort or another should play a role in any policy prescriptions that grow out of the findings presented here.

Thus I must close by modifying my opening line. Though certainly depressing, the story told here is full of lessons for lenders, aid agencies, and development planners. Some of these lessons—like the costs of undermining established patterns of work and welfare—are relatively straightforward in their implications for policymakers. Others—like the disastrous effects on kinship and other solidary relations wrought by market reform in certain contexts—demand careful analysis and suggest only uncertain intervention strategies. All are worth heeding, but the “hard” lessons perhaps first of all.

Dr. Michael W. Foley
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In the Kyrgyz Republic, we are grateful to the then Deputy Minister of Labor and Social Protection, Uktamkhan A. Abdullaeva, for her efforts and letters of support that accompanied each team to the field. We would also like to acknowledge and thank the Counterpart Consortium-Kyrgyz Republic for their commitment and excellent contributions to this study. Involved Counterpart staff included Erkinbek Kasybekov, director, and Cholpon Akmatova, training assistant. Janna Rysakava acted as project coordinator of the fieldwork, which was supervised in the field by senior researchers, Mariam Edilova, Gulnara Bakieva, and Nurdin Satarov. The Talas Oblast research team included Lira Tantabaeva, Esenkan Osmonaliev, and Bakhtiyar Abdykadyrov; the Jalal-Abad Oblast research team included Nurmamat Saparbaev, Kunduz Ukubaeva, and Takhir Hamdamov; and the Naryn Oblast research team included Janyl Abdyralieva, Turdububu Shamuratova, and Sagyn Kaimova. Takhmina Musalimova and Narina Kadyralieva carried out interviews in Bishkek. Alina Tolkacheva, assisted by Asel Ibraeva and Aisulu Jeckshenbaeva, produced exceptionally fine translations of the written reports.
The purpose of this study, carried out in the Kyrgyz Republic in 1999, was to investigate the impact of socioeconomic change on the characteristics and functions of the social networks of poor and non-poor households in rural and urban communities. A better understanding of the role of informal networks in Kyrgyz society, it was thought, would help development specialists devise more effective ways to reach out to the poor and socially excluded, while ensuring that the benefits of development were not simply captured by those with more effective and far-reaching “connections.”

The findings reveal the dynamics of how the poor both disengage from and are isolated by and from the non-poor. They further describe how the social networks of poor and non-poor households have polarized and separated in a process that parallels the sharp socioeconomic stratification that has taken place since national independence in 1991. The study examines not only how the networks have separated, but also how each has changed in character. The findings show that the non-poor, especially those in urban communities, are moving away from relationships based on ascriptive relationships and moving toward more “modern,” interest-based networks, which they successfully exploit to access an expanding array of resources. By contrast, the shrinking networks of the poor have reduced access of the poor to decent health care, good education, and timely social assistance, at the same time that such services have become increasingly mediated by personal “connections.” Given that person-centered social networks still predominate in Kyrgyz society, the deterioration of social networks of the poor should be of serious concern to policymakers, because it signals that an escalating process of social exclusion is now underway.

Although similar processes are taking place in other post-socialist countries, we chose to pilot this study in the Kyrgyz Republic for several reasons. First, the country has become drastically impoverished since independence. As of 1997, more than half the population lived below the poverty line, and the gap between rich and poor was second only to that of Russia among the post-socialist countries (World Bank 1999a). In addition, informal kinship and neighborhood-based social networks have long played an important role in Kyrgyz society, both during the Soviet period (1917–91) and in pre-Soviet times, when tribal and clan loyalties were based on mutual
webs of obligation and protection. Although the Kyrgyz have had a shorter history with Islam than have many Central Asian groups, it is nevertheless important to add that they have also been influenced by Islam’s emphasis on the importance of family solidarity and mutual assistance. Finally, the Kyrgyz Republic was one of 23 participating countries in the World Bank’s recent “Voices of the Poor” study (Narayan and Petesch 2002), and the Kyrgyz case study was managed in the field by one of the authors of this study (Kathleen Kuehnast). By returning to the same sites with the same local interviewers, the authors were able to build upon the interviewers’ experience, the relationships they had already established in the field, and the rich qualitative data they had already collected in the poorest oblasts (regions) and Bishkek, the capital city.

Purpose of the Study
The study of social networks in post-socialist countries is an important tool for bridging the policy gap between macro-level economic strategies and micro-level interventions. These networks provide an essential framework for understanding how informal institutions interact with formal institutions in the post-socialist Kyrgyz Republic. The role of social networks in a society and economy in transition has important implications for and the increase in structural poverty throughout institutional reform at every level. Informal networks are not only “safety nets”; they are also institutions that can undermined or sabotage apparently well designed programs intended to target the poor or marginalized. Qualitative poverty studies conducted in the countries of the former Soviet Union (FSU) have found, for example, that the very poorest lack “insider connections” to formal institutions and are therefore most likely to be excluded from formal assistance. Understanding how social networks can enhance or restrict peoples’ access to limited resources is particularly important in view of growing economic stratification the region.

Methodology
This study was conducted over a six-week period between April and June 1999. Three local research teams conducted 21 focus groups (involving 210 respondents) and 105 interviews in seven urban, semi-urban, and rural communities of Naryn, Talas, and Jalal-Abad Oblasts, plus the capital, Bishkek, with a purposively selected sample of poor and non-poor respondents. Talas, Jalal-Abad, and Naryn were selected because the 1999 Kyrgyz Republic Poverty Update identified these as the three poorest oblasts in the country. (Within each oblast, local leaders and interviewers identified two of the poorest villages or towns.) Focus groups were held in each of the selected villages and towns with poor, non-poor (identified by discussions with local leaders at each site), and “special” groups such as local minorities or rural migrants in the city. In-depth interviews of two to three hours were conducted with seven poor and seven non-poor respondents, with a mix of age and sex in each group. Individual respondents were selected in part by their willingness to be interviewed, their articulateness, and, in some cases, on the basis of previous participation in the “Voices of the Poor” study. Many common themes emerged in the interviews, as did situational differences in individual social networks. Working with the interviewers, respondents filled in detailed matrices recording the kind and frequency of transactions in which they regularly engaged.

Social Networks During the Soviet Period
During the socialist period, webs of personal relationships were the principal “currency” in society. Although basic goods and services were heavily subsidized and widely affordable, informal social networks were the most important mechanisms for getting things done, obtaining access to “deficit” goods and services, acquiring accurate information about events and opportunities, circumventing regulations and, in combination with bribes, gaining access to elite education, quality health care, and positions of power. This network-based economy of reciprocal favors, referred to in Russian as sviaszy (connections), was an important feature of the centralized socialist economy that helped people to compensate for failures of the state.
Although the networks of ordinary people and the elite largely functioned independently of one another, the relatively egalitarian conditions of Soviet society enabled most people to establish far-reaching networks. Most people perceived their predicaments as similar and were not ashamed to ask favors or borrow money from one another, because guaranteed employment and stable incomes made it likely they could return the debt or favor in the future. In the Soviet shortage economy, who one was and who one could access were far more important than the money one had saved—hence the popularity of the saying, “better a hundred friends than a hundred rubles.” Status and power depended less on income than on the extent to which one’s informal networks included people with blat (pull or influence). At the same time, particularly in rural areas of Central Asia, the elaborate system of Soviet collectivized agriculture often grouped extended families and clan groups together, thereby reinforcing kinship networks by ensuring that their members lived and worked in the same location. The informal networks that became a Soviet way of life integrated easily with Central Asian practices of gift exchange and Islamic concepts of charity, both of which reinforced mutual support among kinship groups, friends, neighbors, and colleagues.

Findings
The key findings of the study, which illustrate the impact of poverty on the form and function of informal social networks in the post-Soviet Kyrgyz Republic, are summarized below. Given the case study approach and small sample numbers, the findings can be considered propositions to be further investigated and tested, rather than definitive conclusions.

1. Social networks continue to be an integral part of everyday life in post-socialist Kyrgyz society.

   The gradual encroachment of market relations, the curtailment of state support, and the drastic decline in living standards for the majority of the population in the Kyrgyz Republic have intensified people’s reliance on personal networks for support. As they did during the Soviet-era shortage economy, people continue to engage extensively in informal exchanges and barter within networks made up of family members, colleagues or classmates, and neighbors. Even the practice of exchanging favors within a certain circle of friends or acquaintances in order to reach someone with blat has continued to operate.

2. The size of networks and frequency of social encounters have significantly decreased among the poor, leading to greater economic, geographic, and social isolation. Simultaneously, the non-poor have become more reluctant to provide support to poor relatives.

   Important formal and informal networks of the poor that previously centered on the workplace and were reinforced by work relationships have disintegrated as privatization and restructuring of industrial and agricultural enterprises have scattered former colleagues. Urban and rural neighborhoods have altered as impoverished households sold apartments or land to former Communist elites and new entrepreneurs quickly mastered the rules of the transition economy. Isolated villages, deteriorating communications infrastructure, and decreased access to affordable transportation have limited the ability of the rural poor to participate in the nascent market economy. Even when social networks of the poor remain dense, they tend to be relatively flat, linking together those with the fewest resources or potential to assist one another. At best, they help the poor avoid further impoverishment. The poor have difficulty maintaining networks with the non-poor because they are unable to afford the purchase of acceptable gifts for participation in traditional gift exchanges.

3. Money has become central to maintaining informal social networks, making it more difficult for the poor to remain part of them. While the poor use what little cash they have for survival, the non-poor use cash as a tool for mobility.

   In contrast to the situation during the Soviet era, money has become a key means of establishing and mobilizing networks. Most household activities now center on acquiring
money. This is especially true for the poor, because even state pensions are often paid in kind with flour or oil. Money has become essential in the exchange of gifts, either as the means of purchasing an expensive gift or as the gift itself. In other kinds of exchanges of services, favors, or information, money has also become an important part of the transaction. Most people prefer to receive their payment immediately, and in cash. Although this practice further excludes the poor, it has directly aided the non-poor, who can more easily deploy financial resources to bypass traditional or well-established networks. The emphasis on cash-based exchange has also affected how people perceive relationships. Even among kin, transactions of the non-poor increasingly involve money, because they have dissociated wealth from its negative Soviet connotations and no longer think “having money” suggests illegal or immoral activities.

4. Because the poor find it increasingly difficult to participate in ceremonial events, they are becoming gradually excluded from kinship and other important networks. By contrast, the non-poor are hosting ever more lavish social events as a way of diversifying their networks and expanding their access to a vast array of resources.

In the Kyrgyz Republic, as elsewhere in Central Asia, people depend on person-centered informal networks that are reaffirmed through a rich ceremonial and social life. Life-cycle celebrations and rituals (toi in Kyrgyz) connected with birth, marriage, and death, are pivotal encounters that help people cultivate, maintain, and expand networks through the reciprocal exchange of gifts as well as non-gift exchanges of goods, information, favors, and advice. Although gift exchange constitutes a significant portion of an ordinary household’s annual expenditures, people strive to maintain this tradition because they know they must give in order to receive. Elaborate gift exchange is not only critical for the maintenance of social networks, it is essential to Kyrgyz social identity. Through the activities involved in gift giving, families gain social recognition as responsible members of their kinship groups, neighborhoods, or communities. Since 1991, for example, the value of gifts given for kalym (payment made by the groom’s family to the bride’s family), and dowry, as well as the actual cost of weddings, has significantly increased. A major concern of the poor is therefore the high cost of hosting or attending such celebrations or rituals and providing the obligatory gifts. Consequently, the poor are increasingly withdrawing from participation. For poorer households, celebrations once attended by hundreds of relatives and neighbors now include only the very closest relatives. As a result, poor households have fewer and fewer opportunities to maintain relationships, especially with relatives living in other communities. At the same time, the non-poor increasingly refrain from inviting poorer relatives to events, in part to spare them the burden of purchasing gifts or the disgrace of failing to do so.

5. Indigenous forms of cooperation such as mutual aid obligations and rotating savings clubs still operate. The requirement for cash contributions is making them inaccessible to the poorest, but they are useful mechanisms for advancement of the non-poor.

Mutual aid, referred to in Kyrgyz as razha (yntymak in some regions), exists in most communities, whether poor or non-poor, rural or urban, Kyrgyz or non-Kyrgyz, where it is rendered through small monetary exchanges. Of course, this practice is by no means unique to the Kyrgyz Republic or even Central Asia, but occurs throughout the world. Razha generally involves the practice of collecting small amounts of money from members of a given social network on the occasion of a wedding or funeral. People are automatically a part of kinship-based razha networks from birth, and from a very young age learn to be responsible to relatives and assume formal razha obligations after marriage. This informal institution remains essential for poor people, because it is the only way they can hope to pay for weddings or funerals.

6. Connections are still the primary currency for gaining access to public services, jobs, and higher education. The non-poor, however, are able to use cash to supplement or even substitute for connections.
The importance of social networks for regulating access to public institutions and services is hardly new to post-Soviet society. Ironically, this importance has increased rather than decreased since the collapse of socialism. Respondents were unanimous in asserting that blat (pull or influence) had become essential for finding work, gaining admission to a competitive university department, or resolving a traffic dispute. Although blat often depends on bribery, it is nevertheless important to distinguish between these two modes of interaction. A key difference is that bribery is illegal, whereas legal codes do not refer to blat (for example, in terms of conflict of interest or nepotism). Rather, in local terms, bribery “implies a conflict of interest where one is to be ‘compensated’ for doing something one would not do otherwise, while blat is a form of cooperation and mutual support with a long-term perspective, implying trust rather than compensation for risk.” The success of blat depends on effective and supportive social networks, whereas bribery may or may not have to be supported by personal networks.

7. The poor are becoming increasingly indebted and forced into patron-client relationships with the non-poor.

The phenomenon of indebtedness in Kyrgyz society has serious consequences that range from shame to ruptured social relations, ostracism, and what some respondents termed “enslavement.” For their daily needs, the poor generally borrow small sums of money from each other, usually agreeing beforehand when the money is to be repaid. Failure to return the loan seriously strains relationships between neighbors, friends, and acquaintances. Personal tragedies, unforeseen economic shocks, and social obligations often result in the poor becoming indebted to their wealthier neighbors, further limiting their chances of escaping an increasingly vicious cycle of obligation and debt. While non-poor respondents referred to the help they rendered poor relatives and neighbors, the poor preferred to describe these “helping relationships” as a modern form of slavery in which the non-poor exploited them to further their own economic advancement.

8. There is increasing differentiation in the form and function of social networks of the poor and the non-poor. The polarization of these networks reflects the increasing socioeconomic stratification of the population.

Kyrgyz society, relatively egalitarian during the Soviet period, has become strikingly unequal. This inequality is reflected in the increasing dissimilarity of informal social networks of the poor and non-poor and the separation of these networks from each other. Networks of the poor have become flat, linking people with similar incomes and assets. They have also shrunk in size and geographic reach, comprising increasingly smaller groups of people who live near each other. Links with people from higher-income groups have increasingly taken on the character of patronage relations. Even kinship networks, which once functioned as highly secure, dependable social safety nets that linked urban and rural relatives, have ceased to provide long-term security. Networks of the non-poor, on the other hand, have become more extensive geographically and more dense socially, reflecting the importance of networks for enhancing social and economic mobility. To maximize their utility, the non-poor have attempted to reshape their networks, discarding some and cultivating others, thereby creating “modern” relationships of more practical value to their new economic circumstances.

Conclusions and Policy Implications

Since the initial steps toward a market economy, the multiple and overlapping informal networks that once linked relatives, neighbors, colleagues, and friends from different backgrounds, professions, and geographic regions have become increasingly polarized. In traditional Kyrgyz culture, elaborate gift exchange and a rich ceremonial life once structured social identity, status, and morality, creating supportive links among hundreds of people. The collective organization of Soviet life, much of which centered on work place relationships, further enhanced the salience of social networks. Today, the
transformation of the economy has dramatically transformed and polarized social relationships among the poor and non-poor. Social capital, defined in this study as “resources plus access,” has deteriorated among the poor and accumulated among non-poor. Trust, defined here as confidence in the reliability of long-term reciprocity relations—is diminishing, as demonstrated by the increased preference for short-term, cash transactions.

These findings argue for both the continued importance of supporting formal institutions that serve the poor and for assessing ways in which development interventions can directly reach the poor. Supporting formal institutions is important for providing viable alternatives to patronage relations that force the poor to rely on the dense and resource-rich networks of the non-poor. Increased support of formal institutions with a stronger emphasis on transparency and complete and timely information could help compensate for the inability of the poor to muster powerful connections to access services. Yet, development specialists must also carefully consider avenues for bridging economic differences between the poor and non-poor rather than further exacerbating these differences, for example, by introducing market reforms too abruptly. In the Kyrgyz Republic, the closure of Soviet-era collective farms and state enterprises has caused particular hardships for the poor, for whom these institutions served as a hub of important social relationships, as well as provider of social services.

Although the World Bank policies increasingly stress the importance of ensuring inclusion, empowerment, and security for the poor, the capacity to address poverty is weakened by an exclusive focus on the poverty side of the equation. This study argues that the complete story, with attention to the relationships between the poor and non-poor, must be told. There is little doubt that it is more difficult to “study up,” yet grasping how the non-poor use social networks in their daily lives is essential for understanding how prevailing norms and beliefs about the poor operate in a given society. This understanding is also essential for developing policies that create incentives for the non-poor to act in ways that enhance inclusion rather than increase the exclusion of the poor.

Greater attention to affordable and reliable rural infrastructure, from roads to communications, could also assist the poor in maintaining their social networks better, which still play a role in their everyday and long-term survival. One of the more constructive ways to assist these networks is by maintaining both rural roads and roadways that are on the outskirts of cities, where many of the urban poor live. Roads allow the poor not only to access support networks, but also make it possible to access employment, markets, schools, and medical care. Telephones give people moral support, as well as the means to exchange useful information. With the support of formal institutions and infrastructure, opportunities for sustainable income generation would become more feasible.

Community-based programs that assist the poor must also recognize the indigenous support systems in the Kyrgyz Republic as viable mechanisms for their programs. Many such support systems (for example, *razba* and *sherine*) have been in place for generations and are already familiar to the community. Community-based projects that use these fundamental building blocks of Kyrgyz society could leverage established social relationships to achieve wider inclusion of the very poor. Finally, development interventions that stress direct outreach to the poor must be carefully designed with knowledge of the powerful gate-keeping role of local elites, especially in rural regions. It should be recalled that local NGOs are predominately staffed by such elites. If project interventions do not carefully take into account their complex role, resources may well end up in the pockets of the gatekeepers and not in the hands of poorer community members.

Increased formal institutional support, improved infrastructure, sustainable employment opportunities, and well-designed community programs that reach out directly to the poor could help level an economic playing field that is growing ever more uneven in the post-socialist Kyrgyz Republic. In addition, exploring the interrelationships between the poor and non-poor, especially their social networks is a first step toward developing new ways to bridge the growing gulf between these socioeconomic groups. Engaging the non-poor directly in poverty alleviation efforts and finding new incentives for them to maintain or create linkages with the poor should be part of the social development agenda.
We have found it difficult to comprehend the politics of survival in economies that are dominated by non-market forces and that reward blat, stability, conformity, and material equality rather than work, risk, creativity, and personal achievements. Because we live in consumer-oriented societies where virtually all goods and services are available to those who have the money to pay for them, we have brought too many Western economic, social, and psychological assumptions to our analyses of Communist systems.

—Fleron and Hoffmann (1993)

Ten years ago, the question of whether a hundred friends are better than a hundred rubles in post-communist Kyrgyz Republic would have been largely rhetorical. In keeping with the sense of this proverb, answers would most likely confirm the superior importance of connections over cash. Today, however, answers to this question are no longer so predictable. For along with Kyrgyz society as a whole, the scope and function of social networks have been undergoing a profound transformation. This study began as an attempt mainly to understand how poverty had affected the ability of people to survive a stressful economic transition. However, it soon became clear that the social networks of the poor and non-poor were moving along different trajectories, that they could not be studied in isolation from each other. This study, then, seeks to expand the ways in which we address the issues of the poor. It argues that the poor cannot be studied in isolation from the non-poor, nor can solutions be devised for them alone. Rather, poverty alleviation in transition countries depends equally on understanding the emerging non-poor, particularly regarding their relations with and attitudes toward the new poor.

This study provides a unique vantage point from which to consider these relationships on a continuum between poor and non-poor, as the Kyrgyz Republic moves on the path from a centralized and planned economy to a market economy. In contrast to studies from developing countries where poverty has been a fact of life for generations, this study focuses on a moment in history when rapid

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impoverishment has polarized the social networks of the poor and non-poor, thereby capturing the
dynamics of how the poor both disengage from and are isolated by and from the non-poor.

In the context of the World Bank’s effort to work more directly with people “on the ground”
(World Bank 2000), the study reiterates the necessity for analyzing the full range of the social rela-
tionships in which projects are situated, not just those of the poor. Decentralization, community-
driven development, and engagement with civil society can all contribute significantly to meeting
the Bank’s social development objectives of inclusion, empowerment, and security. An important
conceptual tool for integrating these approaches into project work is that of social capital. Although
numerous definitions of social capital exist, they all emphasize the benefits that individuals derive as
members of social networks. Social networks are thus viewed as an asset that enhances well-being.
Social capital as a paradigm for analyzing human assets provides a tool for analyzing the ability of
the poor to meaningfully change their own lives. Comparative research in Bolivia, Burkina Faso,
and Indonesia, for example, has shown that household involvement in associations or local net-
works improves their livelihoods, as well as access to credit and the ability to acquire assets
(Grootaert 1999). In the same vein, this study emphasizes the importance of social networks as an
essential ingredient of social capital and a crucial element in the survival strategy for the poor.

The Bank is also engaged in analyzing institutions, both formal and informal. The study of
social networks in post-socialist countries is an important tool for bridging the policy gap between
macro-level economic strategies and micro-level interventions. These networks provide an essential
framework for understanding how informal institutions interact with formal institutions in the post-
socialist Kyrgyz Republic. The role of social networks in a society and economy in transition has
important implications for institutional reform at every level. Informal networks are not only “safety
nets,” they are also institutions that can undermine or sabotage apparently well designed programs
intended to target the poor or marginalized. Qualitative poverty studies conducted in the countries
of the former Soviet Union (FSU) have found, for example, that the very poorest lack “insider con-
nections” to formal institutions and are therefore most likely to be excluded from formal assistance.2
In her study on social networks in Cairo, Diane Singerman (1995) found that “[n]etworks are the
political lifeline of the community, allowing individuals and groups to cooperate with other mem-
bers of the community to achieve individual and collective goals.” A better understanding of the
complex relationships between local networks and formal state and international institutions can also
yield important insights into derailed reform projects and patterns of corruption (Stark and Kemeny
1997). Recent poverty assessments in Central Asia have not fully examined the ways in which access
to information and goods depend on social networks (Dudwick et al. 2003). Understanding how
social networks can enhance or restrict peoples’ access to limited resources is particularly important
in view of growing economic stratification and the increase in structural poverty throughout the
region. Despite the introduction of market principles and the gradual depersonalization of eco-
nomic relations in the Kyrgyz Republic,3 social networks in the transition period remain as impor-
tant to survival and social mobility as they were during the Soviet-era “shortage” economy.

Kyrgyz social relations are based upon person-centered networks. Thus, in the Kyrgyz Republic,
as well as elsewhere in Central Asia, gift giving and other forms of reciprocity are essential to social
life, especially for cultivating, maintaining, and expanding networks important for security and social
mobility. During a time when both the state and the market are unreliable, the gift exchange net-
works still provide social support, personal financing, and mutual assistance in Kyrgyz society. Life-
cycle celebrations and rituals that serve as the venue of relationship building usually invigorate such
networks. From a study in rural India, Vijayendra Rao (2001) notes that exchange networks serve a

2. These include World Bank studies carried out in the Kyrgyz Republic (Kuehnast 1993), Armenia
(Dudwick 1995, Gomart 1996), Ukraine (Wanner and Dudwick 1996), Georgia (Dudwick 1997), Moldova
(De Soto and Dudwick 1997), Latvia (Institute for Sociology and Philosophy, Riga, 1998, in Dudwick et al.
2003).

3. In contrast to some of its Central Asian neighbors, the Kyrgyz Republic adopted an aggressive strategy
of market reform, including widespread privatization, the introduction of a new currency in 1993, and other
macroeconomic reforms unique to the region.
central role in helping the poor to cope during difficult times; additionally they serve the non-poor as arenas for status-enhancing competitions. Likewise, in rural communities in the Kyrgyz Republic where banks and other services are unavailable, social networks fueled by these traditions are more valuable than goods or money. Although these networks operate without guidebooks or formal regulations, they can be considered institutions in that they pattern recurrent transactions and exact social consequences for failure to honor agreements. Networks vary in composition and form, from horizontal or flat networks that link equals or near-equals to “vertical” networks, including patron-client relationships, that hierarchically link people with unequal power and access to resources.

Previous studies of informal social networks in Central Asia found that inter-household transfers were an important safety mechanism for the poor (Kandiyoti 1998; Couduel, McAuley, and Micklewright 1997; Cox, Eser, and Jimenez 1997). Today, a new reality is emerging. The poor are being excluded or withdrawing from those social networks that once offered important support. In response to this trend, the non-poor indicated in interviews that they are less likely to sustain their relationships with poorer relatives because these relationships are financially draining. This attitude toward the obligation to support extended family members is a major shift in the previous, family-centered informal welfare system of the Kyrgyz. Consequently, while the networks of the poor are shrinking and becoming more homogeneous, networks of the non-poor are expanding and diversifying. These changes parallel the growing chasm between the networks of the poor and of the non-poor, bridged, if at all, by patron-client relationships. Given that person-centered social networks still predominate in Kyrgyz society, the deteriorating networks of the poor should be of serious concern to policymakers. Their deterioration signals that an escalating process of social exclusion is now underway. Yet it is not enough to understand the networks of the poor. A thorough analysis of the networks of the non-poor is also critical for understanding how the entire society operates through these informal systems, how formal institutions are brought into the web of personal networks, and how uneven the playingfield has become in the new “market economies” of the FSU.

The focus of this study on social networks also places it within the purview of social capital research alluded to earlier (World Bank 1999b). Discussions of social capital theory distinguish two major approaches to this phenomenon. The first, rooted in the concepts developed by the French sociologist Pierre Bourdieu (1986) and the American sociologist James Coleman (1988), considers individuals and small groups as the unit of analysis, and focuses on the ways in which they manipulate social relationships to gain benefits. The other major approach, of greater interest to development specialists, emerged from the work of the political scientist Robert Putnam, who investigated social capital as an attribute of communities, in some cases, of nations. Putnam and others argue that social capital arises through a dense associational life that produces norms of generalized trust and reciprocity within a community. The level or “stock” of social capital partially determines why some communities are more able than others to mobilize to pursue shared objectives. These two applications of the social capital concept are quite distinct, and as Alejandro Portes suggests, can be contradictory. In the case where individuals or small groups use their connections to bend regulations and gain access to public resources, for example, “[i]ndividual social capital in such instances consists precisely in the ability to undermine collective social capital, defined as ‘civic spirit’ . . .” (Portes and Landolt 2000). Portes also points to a confusion between social capital as cause and effect, when in fact high levels of community solidarity might accompany economic growth because both have been shaped by an external factor.

We consider this study more in line with social capital theories that consider social capital as a dependent rather than independent variable, and that conceive of norms and values as separate,
albeit related issues. Interestingly, the only other study of social capital in post-Soviet society undertaken through the World Bank’s Social Capital Initiative, Richard Rose’s study of social capital networks in Russia, likewise uses this more restrictive definition of social capital to examine networks in post-socialist Russia (Rose 1998). Finally, this study particularly stresses the context-dependent nature of social capital. As Foley and Edwards have argued, the way in which networks are embedded in broader socioeconomic contexts and can link individuals to resources determines whether or not a social network has social capital.\(^7\) We further concur that norms of trust and reciprocity are more usefully considered separately, so as not to confuse their cause and effect relationships with social networks.

Although similar processes are underway in other post-socialist countries, we chose to pilot this study in the Kyrgyz Republic for several reasons. First, the country has become drastically impoverished since independence. As of 1997, more than half the population lived below the poverty line, and the gap between rich and poor (indicated by a Gini coefficient of 4.7), was second only to that of Russia among the post-socialist countries.\(^8\) In addition, informal kinship and neighborhood-based social networks have long played an important role in Kyrgyz society, both during the Soviet period (1917–1991), and in pre-Soviet times, when tribal and clan loyalties were based on mutual webs of obligation and protection. Although the Kyrgyz have had a shorter history with Islam than have many Central Asian groups, it is nevertheless important to add that they have also been influenced by Islam’s emphasis on the importance of family solidarity and mutual assistance (Coudel, McAuley, and Micklewright 1997). Finally, the Kyrgyz Republic was one of 23 participating countries in the World Bank’s recent “Voices of the Poor” study, and the Kyrgyz case study was managed in the field by one of the authors of this study (Kathleen Kuehnast). By returning to the same sites with the same local interviewers, the authors were able to build upon the interviewers’ experience, the relationships they had already established in the field, and the rich qualitative data they had already collected in the poorest oblasts and Bishkek.

For this study, “networks” are defined as a web of relationships through which goods, services, money, and information are transacted, and through which mutual obligation and gift-giving activities directly enhance social status. It is assumed in this study that personalized systems of exchange are based on different motives and values than those of anonymous markets. Interviews were designed to elicit information from respondents regarding the characteristics of their networks, the kinds of transactions that predominated within each network, and finally, the changes in the structure, size, and importance of their networks over the last ten years. (See Annex C for analytical summaries of a variety of individual interviews.) While the limited number of sites and respondents do not allow us to generalize the findings for Kyrgyz society as a whole, similar findings from other recent studies in the Kyrgyz Republic suggest that they do indeed represent a countrywide phenomenon (Mikhalev and Heinrich 1999; Rumer 1996). The categories “poor” and “non-poor” used in this study largely refer to how study participants in the poorest three regions (oblasts) of the country identified themselves to interviewers.

<table>
<thead>
<tr>
<th>Table 1: Poverty by Oblast, 1997</th>
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<tr>
<td>Poor (percentage)</td>
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<tr>
<td>Naryn Oblast</td>
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<td>Jalal-Abad Oblast</td>
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<td>Talas Oblast</td>
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<td>Osh Oblast</td>
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<td>Issyk-Kul Oblast</td>
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<td>Chui Oblast</td>
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<td>Bishkek</td>
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Source: Kyrgyz Poverty Monitoring Survey, Fall 1997, in World Bank (1999a).\(^9\)

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7. Foley and Edwards (1999) suggest that “social capital = resources + access.”
The study was primarily designed to develop a more nuanced understanding of poverty in the Kyrgyz Republic—particularly in rural regions—rather than to define these terms with precision. In general, poor respondents in the study had few assets, participated in increasingly flat or “horizontal” social networks, and had little or no cash. Non-poor respondents had sufficient material and monetary resources to overcome financial setbacks, participated in extensive and diverse networks, and either had cash or were able to easily convert resources into cash.

This study was conducted over a six-week period between April and June 1999. Three local research teams conducted 21 focus groups (involving 210 respondents) and 105 interviews in seven urban, semi-urban, and rural communities of Naryn, Talas, and Jalal-Abad Oblasts (regions), plus the capital city of Bishkek, with a purposively selected sample of poor and non-poor respondents. To select sites, we identified the three poorest oblasts (Talas, Jalal-Abad, and Naryn) on the basis of the 1999 World Bank poverty update. (See Annex A for background information on these regions.) Local leaders and interviewers then identified two of the poorer villages or towns in each oblast. Focus groups were held at the chosen sites with poor, non-poor (identified by discussions with local leaders at each site), and “special” groups such as local minorities or rural migrants in the city. In-depth interviews of two to three hours were conducted with seven poor and seven non-poor respondents, with a mix of age and sex in each group. Individual respondents were selected in part by their willingness to be interviewed, their ability to articulate the social issues and, in some cases, on the basis of previous participation in the “Voices of the Poor” study. A high frequency of common themes emerged in the interviews, as did unique situational differences in individual social networks. The respondents, identified as “poor” or “non-poor” prior to the interview, filled in detailed matrices with the interviewers help, documenting the kind and frequency of transactions in which they regularly engaged.

In each oblast, one person kept a six-week diary of his or her transactions. The interviewers recruited women to keep the diaries, since the women were more engaged in the day-to-day transactions that link network participants. As Cynthia Werner noted from her own fieldwork in Central Asia, women tend to be “more active in maintenance of social networks by serving guests, exchanging gifts, and helping others prepare food for guests . . . [while] men are more active in the manipulation of social networks, as they are the ones who typically ‘call in favors.’” Qualitative research is very labor-intensive; the time required to review and analyze the 105 interviews and 21 focus group reports was considerable. Common themes as well as points of divergence were noted and then analyzed only by returning repeatedly to the original interviews and reports. Yet the end result is a detailed view of how social networks function among some Kyrgyz today.

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10. The research team consisted of 12 interviewers who had been trained in methods of Participatory Rapid Appraisal (PRA), as well as in-depth interview and focus group techniques. All of the interviewers had participated in the previous World Bank study, “Voices of the Poor.” The interviewers originated from each of the oblasts in which they did their research, as a means of assuring greater comprehension of local conditions and regional problems.

11. The village sites were Urmal and Beisheke (Talas Oblast); At Bashy and Ak Kiya (Naryn Oblast); and Kok Jangak and Achi (Jalal-Abad Oblast).


13. A man and woman were each chosen from the following age categories: under 30 years, between 30 and 50 years, between 50 and 65 years; one respondent over 65 years of either sex was also interviewed.

Better a hundred friends than a hundred rubles.

—Russian proverb popular during Soviet times

During the socialist period, webs of personal relationships were the principal “currency” in society. Although basic goods and services were heavily subsidized and widely affordable, informal social networks were the most important mechanisms for getting things done, obtaining access to “deficit” goods and services, acquiring accurate information about events and opportunities, circumventing regulations and, in combination with bribes, gaining access to elite education, quality health care, and positions of power. This network-based economy of reciprocal favors, referred to in Russian as *sviazy* (connections), was an important feature of the centralized socialist economy that helped people to compensate for failures of the state.

Although the networks of ordinary people and the elite largely functioned independently of one another, the relatively egalitarian conditions of Soviet society enabled most people to establish far-reaching networks. Most people perceived their predicaments as similar and were not ashamed to ask favors or borrow money from one another, because guaranteed employment and stable incomes made it likely they could return the debt or favor in the future. In the Soviet shortage economy, who one was and who one could access were far more important than the money one had saved—hence the popularity of the saying “better a hundred friends than a hundred rubles.” Thus, status and power depended less on income than on the extent to which one’s informal networks included people with *blat* (pull or influence). Such individuals were typically close to sources of political, social, and economic power and capable of pulling the levers of power within an institution to fulfill a request. As Larissa Lomnitz (1988) concluded from a comparative study of Mexico, Chile, and the Republic of Georgia, the more a social system is “bureaucratically formalized, regulated, planned, and yet unable to fully satisfy social requirements, the more it tends to create informal mechanisms.” Social networks in the Kyrgyz Republic represent one such mechanism.

15. For an excellent explanation of reciprocity within informal social networks and the use of *blat*, see Millar (1981). For a more recent treatment of the same subject, see Dinello (1999).
Such informal networks were not solely a response to the inadequacies of formal institutions in the FSU. In Central Asia, these networks emerged from traditional kinship ties that proved to be exceptionally strong (Humphrey 2000). Prior to Sovietization, tribal and clan relations constituted the basis of economic and political collective well-being in Central Asia. No individual could survive without the protective mantle of tightly woven networks of extended relatives who lived across the once nomadic territory. Customary laws that regulated marriage and elaborate rituals of gift giving that centered around life-cycle celebrations provided safety, security, and social status in the pre-Soviet world of the Kyrgyz. This pattern of expansive and influential kinship networks persisted despite attempts of the Soviet regime to weaken them. (One typical Soviet prohibition forbade family gatherings of more than 100 people in a society where hundreds of relatives had traditionally gathered for weddings or funerals.)

At the same time, the elaborate system of Soviet collectivized agriculture often grouped extended families and clan groups together, thereby reinforcing kinship networks by ensuring that their members lived and worked in the same location. The informal networks that became a Soviet way of life integrated easily with Central Asian practices of gift exchange and Islamic concepts of charity, both of which reinforced mutual support among kinship groups, friends, neighbors, and colleagues. Consequently, pulling out the various strands of Soviet networks, Central Asian social obligations, and the practices of an emerging market economy was one of the more challenging tasks of the following analysis.
Qualitative poverty studies carried out since 1993 in countries of the FSU reveal that the informal social networks of the poor have deteriorated. The purpose of this study, carried out in the Kyrgyz Republic in 1999, was to investigate the impact of socioeconomic change on the characteristics and functions of the social networks of poor and non-poor households in rural and urban communities. A better understanding of the role of informal networks in Kyrgyz society, it was thought, would help development specialists devise more effective ways to reach out to the poor and socially excluded, while ensuring that the benefits of development were not simply captured by those with more effective and far-reaching connections. The findings reveal that the social networks of the poor and non-poor have polarized and separated, paralleling the sharp socioeconomic stratification that has taken place since independence. Poverty and the increased penetration of market relations have significantly altered family and clan-based networks and, to a lesser extent, networks based on work, friendship, and neighborhood. The disintegration of kinship-based networks was striking in cash-starved and isolated rural regions, where the poor could no longer afford to participate in essential gift exchanges or life-cycle celebrations, nor maintain contact with relatives and acquaintances living in other villages or towns.

Not only had networks of the poor and non-poor begun to separate, they also had each changed in character. The non-poor in urban communities and, to a lesser extent, in rural communities, were moving away from networks based on ascriptive relationships to more “modern,” interest-based networks through which they successfully exploited access to resources (for example, “insider” information, credit, preferential treatment by government offices). By contrast, the shrinking networks of the poor reduced their access to decent health care, good education, and timely social assistance services, which are increasingly mediated by personal connections. Indigenous systems of self-help, including rotating savings clubs and mutual aid obligations, were moving out of reach of the very poor, who were unable to afford even modest cash contributions. Catastrophic events were even forcing some poor into patron-client relationships and other varied forms of exploitation. These findings have important implications for community-based approaches aimed at empowering the poor and expanding their economic opportunities. Because person-centered networks in the Kyrgyz Republic...
remain important for regulating access to important resources, interventions should be designed to ensure that the poor, who are increasingly excluded from informal networks and unable to penetrate the expanding sector of non-government organizations, are directly represented and specifically targeted. Given the continuing practical role of social networks as informal safety nets, greater attention should also be paid to investing in rural infrastructure, so that deteriorating transportation and communications services do not further isolate poor communities.

The key findings of the study, which illustrate the impact of poverty on the form and function of informal social networks in the post-Soviet Kyrgyz Republic, are summarized below. Given the case study approach and small sample numbers, the findings can be considered propositions to be further investigated and tested, rather than definitive conclusions.

**Social Networks Continue to be a Part of Everyday Life**

*At present, it is more useful to have a wide network than one hundred rubles, because if you have connections in all structures, and acquaintances in different departments and institutions, you can easily solve any problem.*

—Focus group discussion with the non-poor, At Bashy

The gradual encroachment of market relations, the curtailment of state support, and the drastic decline in living standards for the majority of the population in the Kyrgyz Republic have intensified people’s reliance on personal networks for support. As they did during the Soviet-era shortage economy, people continue to engage extensively in informal exchanges and barter within networks made up of family members, colleagues or classmates, and neighbors. Even the practice of exchanging favors within a certain circle of friends or acquaintances in order to reach someone with *blat* has continued to operate. During the Soviet period, people used *blat* to obtain deficit goods and services that money alone could not buy. While most goods and services can be acquired today with money, people often resort to *blat* to help augment their incomes (for example, by circumventing official procedures to obtain valuable productive assets or lucrative employment).

Even though the rural population is often associated with social networks of long-term duration, the economic problems of transition have left such networks highly vulnerable. It is an unfortunate paradox that at a time when these networks have become ever more critical for survival, poverty has weakened kinship ties and made it more difficult for the poor to maintain critical support networks. For the non-poor, networks are important not only for maintaining their social standing, but also for ensuring their future security and prosperity, particularly in the absence of institutional stability. Thus, personal connections to people with official or unofficial power and access to important information have become more essential for finding employment, obtaining loans, establishing enterprises, gaining admission to elite educational institutions, or simply avoiding harassment from officials. In many cases, these networks include influential figures or government officials who share information for financial gain. Such exchanges among the non-poor are reciprocal, equal, and timely.

The importance of having channels for obtaining information, particularly in information-hungry rural areas, can hardly be overstated. Most periodicals are distributed in Bishkek, while in outlying areas, the high cost of paper, transportation problems, and lack of funds means that even those who can afford to subscribe may not receive newspapers for weeks at a time. For those who own them, television and radio are the most important sources of information. But since many remote areas lack reliable electricity, people learn even about government decisions and presidential decrees through word of mouth, and often very late.16

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Decreasing Networks of the Poor

The rich have relationships with the rich, their equals, and the poor, but the poor have relationships only with the poor. They don’t maintain relationships with the rich because they don’t have enough money to give them expensive presents or to repay them properly for something. So they avoid those networks because they cannot enter them. If you have enough money, you have greater opportunity to maintain relationships with your relatives and acquaintances.

—Focus group discussion with the poor, At Bashy

The size of networks and frequency of social encounters have significantly decreased among the poor, leading to greater economic, geographic, and social isolation. Simultaneously, the non-poor have become more reluctant to provide support to poor relatives.

Important formal and informal networks of the poor that previously centered on the workplace and were reinforced by work relationships have disintegrated as privatization and restructuring of industrial and agricultural enterprises have scattered former colleagues. Urban and rural neighborhoods have altered as impoverished households sold apartments or land to former Communist elites and new entrepreneurs quickly mastered the rules of the new economy. Isolated villages, deteriorating communications infrastructure, and decreased access to affordable transportation have limited the ability of the rural poor to participate in the nascent market economy.

Even when social networks of the poor remain dense, they tend to be relatively flat, linking together those with the fewest resources or potential to assist one another. At best, they help the poor avoid further impoverishment. The poor have difficulty maintaining networks with the non-poor because they are unable to afford the purchase of acceptable gifts for participation in traditional gift exchanges. While some of the poor have deliberately withdrawn from relationships in order to save face, others have been excluded by newly rich relatives. (The poor consider the non-poor to demonstrate behavior that is cruel, insensitive, and a shameful violation of kinship obligations.) The non-poor, on the other hand, characterize the growing distance between poor and non-poor as an inevitable part of a market economy, in which it is necessarily “every person for himself or herself.” Their strategic deployment of social networks in order to improve their economic and social status is replacing their traditional obligation to financially support poor relatives.

Despite long-standing kinship ties, a network of close relatives in the Kyrgyz Republic today may number as few as 10 to 15 people. Respondents consistently ranked this circle of relatives as their most important network, partly because they considered it “more appropriate” to deal with relatives than non-relatives. At the same time, they stressed that ties between previously close kin have weakened over the last decade because people are hesitant to rely on relatives for assistance. The economic crisis has even caused rifts in traditionally important sibling relations, most noticeably among the poor. It has become more difficult to visit relatives because transportation is no longer subsidized and the poor cannot afford bus tickets that have increased three-fold in price. In addition, poorly maintained roads now prevent buses and trucks from traveling to many rural areas in winter. Thus, visits between relatives, typically accompanied by exchanges of gifts, farm produce, and other items at weddings, funerals or birthday celebrations, take place with less frequency.

As the non-poor increasingly distance themselves from poor relatives, the latter criticize their lack of support and disdain for traditional kinship obligations. As a result, tensions have increased among extended families. Respondents noted that family relations are best maintained when a family member whose authority is recognized by all relatives actively works to maintain good communication. If such a person moves away or becomes unable to communicate with the extended family, relations deteriorate and contacts diminish, further isolating poorer family members.

Particularly in isolated regions, neighbors often play a more central role than relatives in the day-to-day lives of the poor, a fact captured by the Kyrgyz saying, “Buy a neighbor, not a house.”
Both the urban and rural poor rank neighbors as second only to kin in importance. Neighbors lend each other small sums of money, food, and other basic necessities on a daily basis, as well as exchanging services and assisting each other at weddings or funerals. In rural areas, groups of neighbors sometimes join to purchase diesel fuel and seeds, rent a tractor or combine harvester, irrigate their fields, or locate a market or mill. For these reasons, a good neighbor is valued more than a distant relative.

Yet, even neighbors socialize less than in the past, when it was customary to meet several times a day. Now such encounters may take place once a week or even once a month, and then only when neighbors happen to meet on the street or at the bazaar. In the past, when people received a visit from relatives, they also invited neighbors, a practice that created large, overlapping networks of relatives, friends, and neighbors. Decreased social visits among relatives and less casual socializing among neighbors have drastically reduced opportunities to expand networks in this manner and, consequently, have diminished mutual support.

Money Has New Meaning

To maintain one’s position in the network, one needs to have money, to be wealthy. Those who have no money try at least not to lose the connections that they have, especially connections with relatives. Friends, in most cases, would not think much of you unless you have money and a prestigious job.

—Focus group discussion with the poor, Achi

If you have money, you can resolve any problem. The main thing is to find the right person who can resolve the problem and provide the appropriate amount for a bribe.

—Focus group discussion with the non-poor, Kenesh

Money has become central to maintaining informal social networks, making it more difficult for the poor to remain part of them. While the poor use what little cash they have for survival, the non-poor use cash as a tool for mobility.

In contrast to the situation during the Soviet era, money has become a key means of establishing and mobilizing networks. During the Soviet period, when separate spheres of exchange operated on the basis of different currencies (for example, money, deficit goods, information, favors, and so forth), money was by no means the principal currency. Most people received regular cash salaries that covered basic needs, but relied on extensive informal networks based on mutual obligations to obtain many difficult-to-find consumer items. In most transactions, obtaining access to something was more difficult than paying for it and the amount of money involved was usually nominal. Even for expensive purchases or large bribes, the exchange of money was carefully brokered by trusted intermediaries.

Today, with consumer items readily available for cash but priced at world market levels, money has assumed greater practical as well as symbolic value. Much of the focus within families is now on the need to make money. This is especially true for the poor, because even state pensions are often paid in kind with flour or oil. Money has also become essential in the exchange of gifts, either as the means for purchasing an expensive gift or as the gift itself. In other kinds of exchanges involving services, favors or information, money has also become an important part of the transaction. The emphasis on cash-based exchange has also affected how people perceive relationships. In the past, favors or services were often provided in the context of long-term relationships in which the giver trusted the recipient to return the favor in the future. Trust has since diminished, and has become more short-term. Thus, most people prefer to receive their payment immediately, and in cash.
While this practice further excludes the poor, it has directly aided the non-poor, who can more easily deploy financial resources to bypass traditional or well-established networks. Indeed, even among kin, the transactions of the non-poor increasingly involve money, because they have dissociated wealth from its negative Soviet connotations and no longer think “having money” suggests illegal or immoral activities. Even friendship has become contingent on wealth. Asked if a hundred friends are still better than a hundred rubles, non-poor respondents generally observed that few problems could be resolved without personal connections, but that important personal connections can no longer be established without money. As a school teacher from At Bashy explained, “Many people nowadays can’t participate in networks because they don’t have enough money for it, so they only associate with those who are as poor as they are, because then neither party is obliged to the other and their relations are free of these problems.” As for kin, the non-poor regularly review and assess the financial implications of maintaining relationships with poor relatives who expect their frequent help.

Limited resources have also taken a toll on friendships among the poor, since gifts, and, therefore, money, are required to sustain them. Friendship is now seen as a luxury and not a necessity. In response to the question of whether a hundred friends are still better than a hundred rubles, a poor respondent replied that no one could afford a hundred friends anymore. He reminisced about pre-transition life, when friends frequently gathered to celebrate birthdays and other holidays, attend the cinema and theater, or hike in summer, without ever thinking about how much they spent. With unemployment and poverty, such gatherings have become infrequent, and life for the poor, as they describe it, has become dismal and lonely.

Curtailment of Ceremonial Activities

Sometimes we cannot go to funerals of our close relatives for such trips require much money. We postpone the trip, reassuring ourselves that we will go to the forty-day commemoration. But we cannot do that either, because besides the money for the trip, we need money for sevet and kiyit [special gifts]. All this requires money that we don’t have. This is why the trip gets postponed to the one-year commemoration. If you do not go to your relative’s one-year commemoration, your relatives will be offended and most likely will not keep ties with you.

—Focus group discussion with the poor, Achi

Because the poor find it increasingly difficult to participate in ceremonial events, they are becoming gradually excluded from kinship and other important networks. By contrast, the non-poor are hosting ever more lavish social events as a way of diversifying their networks and expanding their access to a vast array of resources. In the Kyrgyz Republic, as elsewhere in Central Asia, people depend on person-centered informal networks that are reaffirmed through a rich ceremonial and social life. Life-cycle celebrations and rituals, toi in Kyrgyz,17 connected with birth, marriage, and death, are pivotal encounters that help people cultivate, maintain, and expand networks through the reciprocal exchange of gifts as well as non-gift exchanges of goods, information, favors, and advice.18 Although gift exchange constitutes a significant portion of an ordinary household’s annual expenditures, people strive to maintain this tradition because they know they must give in order to receive.

17. *Toi*-A celebration that takes place for such events as births, circumcisions, marriages, anniversaries, or housewarmings. The most important *toi* are: *sunnot toi*: circumcision, *ulonuu toi*: marriage of a son, *kyz toi*: marriage of a daughter, *iu toi*: house warming, *beshik toi*: presentation by the parents of a new mother to her and her family upon the birth of the first child.

18. For a detailed investigation of such rituals and networks in rural China, see Yan (1996).
As the Kyrgyz proverb says, *Kattashpasa jakyn tuugan jat bolot* (if you don’t stay in touch with your family, they will become strangers to you one day).

Elaborate gift exchange is not only critical for the maintenance of social networks, it is essential to Kyrgyz social identity. Through the activities involved in gift giving, families gain social recognition as responsible members of their kinship group, neighborhoods, or communities. Within the Kyrgyz extended family, gift transactions are valued as an indication of upstanding moral behavior, even though achieving this level of morality may entail considerable economic deprivation or indebtedness. The understanding that family honor depends on appropriate participation in obligatory gift exchange pressures poor families to borrow beyond their capacity, a practice some people attribute to the negative Kyrgyz trait of *sokur namys* (blind pride).19

Ironically, the poorer rural population appears to celebrate many more events, ceremonies, and traditions than do their more prosperous urban counterparts. In a region where there are more unpredictable calamities like drought, extreme cold, and other hardships, these celebrations provide not only a respite from such difficulties, but also an important venue for reaffirming old ties and creating new ones as a form of life insurance. Consequently, rural participants in the study noted that the profit they earn during the year through hard manual labor is mostly spent in the autumn on these celebrations. Even though these traditions and practices are considered burdensome at times, the participants agreed that they are essential to social relations, since such relations are the primary conduit for finding jobs, locating low prices for food and fuel, and gathering important information on everything from changing governmental policies to future marriage partners for their children. Rao argues that in addition to their “direct utility,” such social networks are an essential element in poverty alleviation strategies. Thus, such celebrations and rituals observed within social networks provide the public arena in which families are scrutinized and tested, where reputations are made, broken, or enhanced. According to Rao (2001), life-cycle events become theaters where public reputations are maintained, and stadiums where people compete in games of status competition. “Because these structures provide rules for what is considered appropriate behavior, they determine the criteria by which people are judged.”

It is at such life-cycle events that obligatory gift exchange is transacted. As Caroline Humphrey and Stephen Hugh-Jones (1992) have noted, gift exchange underwrites social relations and is concerned with social reproduction. Similarly, gift giving in Kyrgyz society operates according to specific rules and norms that vary according to the type of network. Giving a gift creates indebtedness on the part of the recipient, who is obliged to repay the giver at some future date with a gift of equal or greater value. Failure to do so puts the reputation of the indebted individual or household at risk. Indeed, most households carefully record gift exchanges in a special notebook, which they consult when they receive or issue an invitation, to remind them what gift they should give or expect.

In Central Asia, weddings and funerals are two life-cycle rituals critical to maintaining social status and preserving social networks. Because marriage has the primary purpose of linking kinship groups rather than individuals, some respondents judged the wedding to be the most important community celebration. Although Soviet authorities outlawed traditional practices of *sep beruu* or dowry (payments by the bride’s family)20 and *kalym* (payment made by the groom’s family to the bride’s family),21 these traditions never completely disappeared and are now reasserting themselves. From pre-Soviet times, *kalym*, usually paid in the form of cattle, displayed the wealth, influence, and prestige of the groom’s family. Many rural families still give *kalym* in the form of money, sheep, or horses and items such as fabric, blankets, and clothing, to important members of the

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20. A bride’s dowry, consisting of furniture, refrigerator, washing machine, a television set, blankets, kitchenware, and a clothing chest.
21. *Kalym* usually consists of cash, *kiit*, and *keshik*. *Keshik* is boiled mutton or foal meat given when visiting a daughter or the son-in-law’s parents. It must be fat, high-quality meat. *Kiit* refers to the clothing traditionally presented to all close relatives and to relatives of high social status who are close to the bride’s parents.
bride’s extended family. Collection of the dowry begins with the birth of a girl and is given to the groom’s family at the time of engagement.

Since 1991, the value of gifts given for kalym and dowry, as well as the actual cost of weddings, has significantly increased. Respondents estimated that payment for gifts exchanged at the first meeting of future parents-in-law required 10,000 to 15,000 soms (at the 1999 exchange rate of 48 soms to the dollar, approximately US$208–$312), while an average wedding costs between 50,000 and 250,000 soms (approximately US$1,040–$5,200). Today, the “start-up costs” of marriage, including elaborate preparations for the wedding and recruitment of neighbors to host out-of-town guests, mean that rural families have fewer opportunities to establish close ties with people living in better-serviced urban areas, worsening the geographic isolation of their villages. In one case, rural respondents forced their son to renounce his chosen bride from Bishkek because they could not afford the required visits to her family in the city. This case illustrates a change from the Soviet period, when young Kyrgyz men often wed urban women in order to expand their family’s network into urban areas, a strategy which opened up an array of educational and employment opportunities for the groom’s entire family.

In customary Kyrgyz practice, funerals are also socially important, both to display respect for the deceased and to demonstrate the worth of his or her life. There are strong social expectations that a proper funeral ceremony will be organized when someone dies. The threat of social exclusion for failure to do so pressures poor households to take on large debts. The funeral itself is followed by further commemorations, such as one that takes place after forty days, when relatives, friends, and colleagues meet at the home of the deceased. Many items and large amounts of money are exchanged at funerals and serious conflicts may result if the goods presented are less in value than those received on a previous occasion. Unable to pay for the trip or the required gifts, some of the poor have stopped attending funerals, forty-day commemorations, and other death-related events, despite their knowledge that failure to attend may provoke offended relatives to sever ties.

Thus, a major concern of the poor is the high cost of hosting or attending such celebrations or rituals and providing the obligatory gifts. Consequently, the poor are increasingly withdrawing from participation. For poorer households, celebrations once attended by hundreds of relatives and neighbors now include only the very closest relatives. As a result, poor households have fewer and fewer opportunities to maintain relationships, especially with relatives living in other communities. At the same time, the non-poor increasingly refrain from inviting poorer relatives to events, in part, to spare them the burden of purchasing gifts or the disgrace of failing to do so. Some non-poor respondents candidly explained that maintaining relations with poor relatives is no longer beneficial to them. In fact, the non-poor have increased their expenditures for such social and ceremonial events, which they see as useful opportunities for creating important alliances and strategically displaying their wealth and position. Elaborate funerals may cost over US$10,000 and involve 1,500 guests, all of whom will be accommodated with assistance from neighbors and extended family members.

Although the non-poor, particularly the wealthier among them, have actively escalated the size and scope of ceremonial exchange, many joined poorer respondents in condemning lavish events as wasteful luxuries, contrasting such excesses with the thriftier and more “rational” behavior of other ethnic groups. During interviews, poor and non-poor respondents alike approvingly recalled how Soviet authorities had once reprimanded Communist Party leaders for organizing expensive commemorations. They commented that the pressure to organize and participate in extravagant ceremonies was damaging to households. Although many respondents felt that local elders should use their moral authority to encourage less costly funeral commemorations, they observed that some elders actively promote lavish expenditures in the name of tradition. The non-poor, especially those who are less wealthy, feel conflicted about the custom. They feel pressured to compete, fearful that they will lose face if they fail to live up to traditional expectations. Interestingly, respondents from very different socioeconomic backgrounds called for government authorities and the mass media to publicly oppose this form of ritual competition. This common perspective shared by two segments
of society that are rapidly diverging in terms of income and opportunity may well reflect the legacy of egalitarian values absorbed during 70 years of Soviet rule.

**Indigenous Forms of Cooperation**

*The poor are ashamed to go to a special event held by their relatives because they are unable to contribute 100 soms to razha, and as a result they gradually drop out of the family network. In some instances, relatives promise to make their contributions later. This might work for one or two events, however, when they systematically fail to contribute money, they are “simply forgotten” to be invited for the next event. That is how someone is dropped from the family networks.*

—Focus group discussion with the poor, At Bashy

Indigenous forms of cooperation such as mutual aid obligations and rotating savings clubs still operate. The requirement for cash contributions is making them inaccessible to the poorest, but they are useful mechanisms of advancement for the non-poor. Mutual aid, referred to in Kyrgyz as *razha* (or *yntymak* in some regions), exists in most communities, whether poor or non-poor, rural or urban, Kyrgyz or non-Kyrgyz, where it is rendered through small monetary exchanges. Of course, this practice is by no means unique to the Kyrgyz Republic or even Central Asia, but occurs throughout the world. *Razha* generally involves the practice of collecting small amounts of money (30 to 500 soms—US$0.63 to $10.00), from members of a given social network on the occasion of a wedding or funeral. Most people participate in multiple *razha* networks of kinship, neighbors, colleagues, and friends. People are automatically a part of kinship-based *razha* networks from birth, and from a very young age learn to be responsible to relatives and assume formal *razha* obligations after marriage. Respondents recalled that during the Soviet period, when most people had enough money to make such contributions, *razha* was regularly practiced among relatives and neighbors. The required contributions remained modest, however, because Soviet authorities, as noted above, punished attempts to hold large-scale private festivities.

This informal institution remains essential for the poor, because it is the only way they can hope to pay for a wedding or funeral. A normal contribution consists of 50 soms, which in large kinship networks of 100 or so people can cover the cost of the horse that should be butchered at the ceremony. Yet, today, many family ties are weakening because not every family member can contribute even this small amount. Further, because most people participate in multiple *razha* networks, they have multiple obligations. Repeated failure to contribute means exclusion from the network, and exclusion means that an individual’s household will not benefit in the future from *razha* contributions. The non-poor still participate in *razha* exchanges, but more to maintain face than because they need this modest support.

Rotating savings associations, referred to by the Kyrgyz term *sherine*, or occasionally, in Russian as *chërnaya kassa* (literally, black cash register or till), are also found in the Kyrgyz Republic. These informal associations consist of people who make regular cash contributions to a fund that is given in whole or in part to each contributor in turn. A worldwide phenomenon, rotating savings and credit associations (ROSCAs) are popular among poorer (but not the poorest) segments of the population. During the Soviet period, ROSCAs were widespread among middle-income people, who usually participated in these associations at their workplace. In the Kyrgyz Republic, *sherine* has become particularly popular among the non-poor. Amounts of up to 250,000 soms collected on a

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22. See, for example, Low (1995). Deniz Kandiyoti (1999) notes the practice of *chërnaya kassa* in Uzbekistan, where the practice functions as a rotating savings club.

23. Ardener (1995) suggests that Taiwan is also a good example of a transition economy in which rotating savings clubs appeal to the emerging elite.
single occasion are used toward the purchase of cars or expensive personal items, or to make investments. Such informal institutions can respond quickly to members’ needs. By providing a reliable way to quickly raise large sums of money, they compensate for ineffective or non-existent banking systems. There is a remarkably low rate of default on what are in effect loans, since participants are intensely concerned to avoid both social disgrace and exclusion from this useful exchange network.

Rotating savings clubs are more than just a way of raising money. They also provide the occasion for enjoyable social functions that provide people an opportunity to exchange information and professional advice. Half a dozen or more friends may take turns hosting each other, with or without families, using a portion of the cash contributions to prepare a lavish meal. Some sherine networks are exclusively male or female. A non-poor female respondent, for example, described how she met with female friends each month to share a meal and discuss issues of personal interest. The women tended to use the money collected to purchase items for their household or expensive jewelry or clothing for themselves. People who are relatively poorer but have reliable incomes may participate in more modest sherine networks, to which they contribute only 100 soms, gathering over a meal to share news as well as to sing and dance. In such networks, however, recipients prefer to use the money to provision their household with several months’ worth of staples such as flour, rice, and oil.

Connections are the Primary Currency

Those who have no connections will never be treated fairly. My son had a traffic accident. He was just sitting in a car parked by the side of the road, and another car, with a son of a high government official at the wheel, ran into it. First, the man admitted that it was his fault and even promised that he would pay for the repairs, but then he sued my son instead. Powerful connections let the man win the case, and my son was imprisoned.

—Focus group discussion with the poor, At Bashy

Connections are still the primary currency for gaining access to public services, jobs, and higher education. The non-poor, however, are able to use cash to supplement or even substitute for connections.

The importance of social networks for regulating access to public institutions and services is hardly new to post-Soviet society. Ironically, this importance has increased rather than decreased since the collapse of socialism. Respondents were unanimous in asserting that blat had become essential for finding work, gaining admission to a competitive university department, or resolving a traffic dispute. Although blat often depends on bribery, it is nevertheless important to distinguish between these two modes of interaction. A key difference is that bribery is illegal, whereas legal codes do not refer to blat (for example, in terms of conflict of interest or nepotism). Rather, in local terms, bribery “implies a conflict of interest where one is to be ‘compensated’ for doing something one would not do otherwise, while blat is a form of cooperation and mutual support with a long-term perspective, implying trust rather than compensation for risk.”

The success of blat depends on effective and supportive social networks, whereas bribery may or may not have to be supported by personal networks. During the Soviet period, bribery depended on blat, since bribes had to pass through trusted personal connections to the ultimate recipient. Today, it has become easier to rely primarily on bribery as the most expedient way of getting things done in the new economy, because the practice now has fewer legal and social

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24. As a non-monetary use of influence, blat was not new to Soviet Russia. As Alena Ledeneva (1998) points out in her book, the term blat was derived from the Polish blat, which means someone who provides an umbrella, a cover. Pre-revolutionary dictionaries imply that blat had connotations of criminal activity, but of the lesser order, such as petty thievery.
repercussions. Although bribery allows people to circumvent networks because middlemen are no longer so essential to transactions, insider connections (sviazy) remain important, since it is often through such connections that one learns who can or should be bribed, what constitutes reasonable payment, and how to time the payment. Bribery requires specific techniques, depending on the organization involved (for example, a university, a tax or customs department, or a hospital). Such “technical” knowledge is local and specific, and depends on information provided through personal relationships. Even the non-poor who move from rural to urban areas must obtain access to local social networks in order to identify which powerful individuals they should bribe in order to achieve their specific objectives.

Non-poor respondents described how people used blat and bribery to gain important official positions. Despite the importance of blat during the Soviet period, many respondents argued that bright and talented people had more opportunities at that time to achieve positions of importance without blat. Today, they assert, blat is essential for obtaining government positions and surviving in the new market environment. The non-poor, for example, use blat to solve problems with tax inspectors, to deal with customs officers when they conduct commerce across borders, to favorably resolve a law suit, to expedite a loan, or to evade military service. Respondents’ perceptions concerning the increased importance of blat are well worth noting. It is well documented from a host of studies that blat remains an active component of transactions in post-socialist societies.

Non-poor respondents were reluctant to detail their own experiences with bribery, although they claimed that the practice was flourishing as never before (a perception possibly influenced by the fact that during the Soviet period, bribes were transacted covertly through personal networks). In general, they noted that people have become more open about bribery. They feel freer to demand bribes or to directly inquire how much they should pay for a specific favor.

The system of education in the Kyrgyz Republic exemplifies the continuing importance of bribery. In the Soviet times, bribes were frequently used to assure admittance to a school or university, but the amount required was usually manageable. Large sums are now needed to enroll a child in university and to find them employment after graduation. The practice is equally widespread in other public institutions. To register for child benefits, for example, one must pay 50 soms for the registration form and 17 soms for the application form. Officials openly keep the benefits for the first two months, a practice respondents are willing to endure as long as they eventually receive some money. Likewise, when a postal worker delivers a pension, he or she generally keeps five or ten soms as the “delivery fee.”

**Increasing Indebtness of the Poor to the Non-Poor**

*If you owe money to a wealthier person and cannot return the money on time, the wealthy person will say, “You have to work for that money.” He then gives an amount of work that is usually more than equivalent to the debt. For example, you owe 100 soms and your wealthier neighbor makes you build a fence around his house. Certainly, this work costs much more than 100 soms, but you do not have a choice and so you do the job.*

—Focus group discussion with the poor, Archa-Beshik, migrant community in Bishkek

The poor are becoming increasingly indebted and forced into patron-client relationships with the non-poor. The phenomenon of indebtedness in Kyrgyz society has serious consequences that range from shame to ruptured social relations, ostracism, and what some respondents termed “enslavement.” For their daily needs, the poor generally borrow small sums of money (15–20 soms) from each other, usually agreeing beforehand when the money is to be repaid. Exchanges of money or goods must be equal and, in contrast to the Soviet past, people now keep exact accounts of what they borrow or lend. Failure to return the loan seriously strains relationships between
neighbors, friends, and acquaintances. A participant in the focus group of Kok Jangak described
the change in neighborly relationships as follows, “In the past, we were not counting how many
presents we gave. Today, our relations are measured by kilos. If you take a kilo of flour, half a
bottle of oil, or half a kilo of sugar, you must return the same amount. Otherwise, you may get
into trouble, or lose the trust of your neighbor. The next time, he will politely refuse to give you
anything because last time you were dishonest.”

To participate in more elaborate exchange networks or to attend ceremonial and social gather-
ings, however, the poor are often forced to borrow greater amounts, sometimes becoming so
indebted that no one in their networks will lend further to them. One resident of At Bashy said, “I
constantly ask my close relatives for support without giving them anything in return. I believe that
if it goes on in this fashion, I will lose my network of relatives because they do not have enough
money to support me like this.” Economic and social pressures have pushed some of the poor into
patron-client relationships with the non-poor. These relationships are one way in which the latter
exploit their networks and kinship norms, since they are able to depend on the cheap or free labor
of poorer relatives.

The poor feel uncomfortable asking their non-poor relatives, neighbors or friends for assis-
tance. Such transactions are unequal from the start: the poor understand that when they do bor-
row, failure to repay in full means that their creditor may call back the debt in the form of labor
worth much more than the original loan. Nevertheless, personal tragedies, unforeseen economic
shocks, and social obligations create predicaments in which the poor become indebted to their
wealthier neighbors, former friends, and even relatives. A pattern described in some villages is as
follows: the poor exhaust their food stocks over the winter, borrow money from wealthier neigh-
bors, then repay this debt the following summer by cultivating the neighbor’s land. The pattern
of indebtedness intensifies when public celebrations or a funeral impose social obligations on the
poor, whose further borrowing limits their chances of escaping an increasingly vicious cycle of
obligation and debt. While non-poor respondents referred to the help they rendered poor relatives
and neighbors, the poor preferred to describe these “helping relationships” as a modern form of
slavery in which the non-poor exploited them to further their own economic advancement.

Polarization and Differentiation of Social Networks

If you have nothing to offer a friend, you will just avoid their company altogether.
Non-poor people have different interests, and it’s easier to make friends with those
who have the same problems and understand one.

—Focus group discussion with the non-poor, At Bashy

The poor talk a lot. They keep discussing my money and the way I make it. They have
no idea how hard I work to make money. They get it all wrong and believe that I
make a lot more than I actually do, so I try to avoid their company.

—Focus group discussion with the non-poor, Kok Jangak

There is increasing differentiation in the form and function of social networks of the poor and
the non-poor. The polarization of these networks reflects the increasing socioeconomic stratifica-
tion of the population. Kyrgyz society, relatively egalitarian during the Soviet period, has become
strikingly unequal. This inequality is reflected in the increasing dissimilarity of informal social net-
works of the poor and non-poor and the separation of these networks from each other. The chasm
between the poor and non-poor is also widening in terms of their social values. Many of the poor
describe those who have money as “thieves, crooks, or cheats.” As a poor woman from Urmaral
expressed it, “It is very difficult to gain wealth by honest work. Usually, people make their fortune
by dishonest means.” Likewise, criticisms of the poor are made by the non-poor, who call the former “lazy” and accuse them of “wanting to use their wealthier relatives as conduits to jobs or opportunities” instead of working hard.

Networks of the poor have become flat, linking people with similar incomes and assets. They have also shrunk in size and geographic reach, comprising increasingly smaller groups of people who live near each other. Links with people from higher-income groups have increasingly taken on the character of patronage relations. Even kinship networks, which once functioned as highly secure, dependable social safety nets that linked urban and rural relatives, have ceased to provide long-term security.

Networks of the non-poor, on the other hand, have become more extensive geographically and more dense socially, reflecting the importance of networks for enhancing social and economic mobility. To maximize their utility, the non-poor have attempted to reshape their networks, discarding some and cultivating others, thereby creating “modern” relationships of more practical value to their new economic circumstances. The separation of networks sometimes takes on visible form. One respondent described a recent funeral in which participants divided themselves into separate groups based on the quality of their clothing. After the funeral, wealthy and poor guests entered the house of the deceased in two separate groups.

Not only have networks taken on different characteristics according to income level, they are also influenced by location. Since about 80 percent of the poor live in rural areas, networks of the rural poor are most affected. A majority of the rural poor are ethnic Kyrgyz whose traditional social networks were based extensively on elaborate gift-giving exchanges, a tradition now rendered much more difficult by poverty. Because collective farms, non-farm enterprises, and schools once played a key role in bringing rural people together and cementing social networks, their closure has created additional impediments for social networks. With the demise of the collective enterprises, most rural Kyrgyz now survive on labor-intensive subsistence agriculture, which allows few opportunities for casual or formal socializing. Finally, roads are no longer maintained, spare parts are rarely available to repair buses or trucks, and what few phone lines once existed in rural communities have been largely destroyed by non-ferrous metal “pirates” who strip copper from telephone wires to trade in China. Although the non-poor in rural areas lack the wealth of their urban counterparts, they still act as gatekeepers in their communities, regulating access to goods, services and information. Yet the reach of their networks is also limited by some of the same obstacles that confront the poor.

In major urban areas, recent migrants from rural areas and refugees from Tajikistan are among the poorest segments of the population. Both these groups of poor try to reestablish local networks with others from the same place of origin. These reestablished networks are both assets and liabilities. On the one hand, by joining people of similar origin and situations, they provide a buffer and some degree of assistance. Yet, they also hinder the poor from extending their networks beyond their small groups and forming new relationships with others who might provide greater access to urban resources.

The urban non-poor are in the most advantageous position. They have created a multiplicity of networks that reach into rural areas of the Kyrgyz Republic as well as abroad, and include relationships with relatives, friends, schoolmates, colleagues, and neighbors of varying income levels. With easy access to a variety of resources, they maintain networks with rural relatives and friends, enjoying the respect and authority their continued attention brings. In urban areas, they have extensive access to a wealth of goods, private and public services, and most importantly, information about business, investment, and employment opportunities in the Kyrgyz Republic and abroad.

25. This attitude of the poor toward the non-poor was repeatedly documented in focus group discussions in a previous World Bank/Counterpart Consortium study (1999).
26. See also Berg (2004), who examines the formal and informal networks of elite women in Uzbekistan.
27. In many ways, these findings reinforce Mark Granovetter’s observations (1985) that economic transactions are embedded in social relations and that reform economists often underestimate the significance of personal relationships and networks of relations in reform economies.
Overall, since the initial steps toward a market economy, the multiple and overlapping informal networks that once linked relatives, neighbors, colleagues, and friends from different backgrounds, professions, and geographic regions have become increasingly polarized. In traditional Kyrgyz culture, elaborate gift exchange and a rich ceremonial life once structured social identity, status, and morality, creating supportive links among hundreds of people. The collective organization of Soviet life, much of which centered on workplace relationships, further enhanced the salience of social networks. Today, the transformation of the economy has dramatically transformed and polarized social relationships among the poor and non-poor.

Impoverishment in the post-Soviet context has had a doubly negative impact on the poor by reducing their ability to maintain support networks, while at the same time increasing their need to rely on networks to maintain access to resources and services. In some cases, debt and dependency have pushed the poor into patron-client relationships, sometimes under the guise of “helping relationships” with wealthier relatives or neighbors. The non-poor, by contrast, have actively reshaped their networks. Marketization and new forms of competition have robbed traditional and morally sanctioned relationships of their value while creating a greater need to expand and diversify interest-based relationships to further social mobility. Reluctant to maintain financially draining relationships with poor relatives, the non-poor consciously espouse values that diminish the importance of ascriptive identities, and strategically deploy long established as well as recently formed networks with people of equal or greater resources.

The dynamics of post-socialism have also affected the social capital of individuals and groups, especially in the context of available resources. Since most social networks require assets or resources to maintain the relationship, the new poor have found themselves with diminished social capital simply because they have few resources. For example, previously well-connected individuals whose networks are embedded in a declining sector such as collective agriculture may find their social capital has completely eroded. While they may have maintained their networks, the types of resources to which these networks provide access have lost their usefulness and therefore their value. Thus, not only have the size of the networks of the new poor shrunk, those relationships that have survived
primarily link together people who have few resources. Moreover, trust, a dimension of social capital, is notably absent in the studied communities. At best, “trust” characterizes the confidence of participants in a transaction that their counterparts will honor their part of the contract. Yet in the current situation, even such transaction-based trust has diminished. Participants prefer short-term exchanges, preferably in cash.

The shifting balance among those who have social capital and those who lack it raises important policy considerations. As Rao (2001) argues, the infusion of market-driven values and mechanisms is eroding links between the social networks of the poor and the non-poor. Although these relationships were previously based on traditional systems of status, the non-poor now find the emphasis on the shared values of reciprocity and assistance counterproductive to their own interests, especially in the unstable new economic environment. For the non-poor, attending the celebrations or funerals of poor relatives no longer enhances their social capital. Since social pressure has diminished within the extended family to adhere to traditional familial obligations, the non-poor are even less likely to provide an informal safety net for struggling relatives. In fact, as Rao demonstrates and as our Kyrgyz respondents noted, the economic standing of the non-poor may increase their need to demonstrate their upward mobility to their peers, thus explaining why lavish displays of wealth at life-cycle celebrations are on the increase for the non-poor and why the non-poor do not feel obligated to invite or attend to the needs of their poorer relatives.

These findings argue for both the continued importance of supporting formal institutions that serve the poor and for assessing ways in which development interventions can directly reach the poor. Supporting formal institutions is important for providing viable alternatives to patronage relations that force the poor to rely on the dense and resource-rich networks of the non-poor. Increased support of formal institutions with a stronger emphasis on transparency and complete and timely information could help compensate for the inability of the poor to muster powerful connections to access services.

Yet development specialists must also carefully consider avenues for bridging economic differences between the poor and non-poor rather than further exacerbating these differences, for example, by introducing market reforms too abruptly. In the Kyrgyz Republic, the closure of Soviet-era collective farms and state enterprises has caused particular hardships for the poor, for whom these institutions served as a hub of important social relationships, as well as provider of social services. Thus, the study reinforces Mark Granovetter’s observations (1985) that economic transactions are embedded in social relations, and reminds us not to underestimate the significance of personal relationships and networks in transition economies.

Although the World Bank policies increasingly stress the importance of ensuring inclusion, empowerment, and security for the poor, the capacity to address poverty is weakened by an exclusive focus on the poverty side of the equation. This study argues that the complete story, with attention to the relationships between the poor and non-poor, must be told. There is little doubt that it is more difficult to “study up,” yet grasping how the non-poor use social networks in their daily lives is essential for understanding how prevailing norms and beliefs about the poor operate in a given society. This understanding is also essential for developing policies that create incentives for the non-poor to act in ways that enhance inclusion rather than increase the exclusion of the poor.

Although the Bank’s programs are focused on ensuring inclusion, empowerment and security for the poor, the study also points out that in only looking at the poverty side of the equation, the complete story, especially regarding the interrelationships between the poor and non-poor, is not told. There is little doubt that it is more difficult to “study up” the socio-economic scale, yet understanding how the non-poor use social networks in their daily lives is important for understanding prevailing the norms and beliefs operating in the society regarding the poor. Expanding

28. This phrase refers to advice by the anthropologist Laura Nader (1994) on the importance of expanding the profession’s traditional focus on the poor and vulnerable to include the rich and powerful.
policies that create incentives for the non-poor to act in ways that result in greater inclusion for the poor is a direction that should be further explored.

Greater attention to affordable and reliable rural infrastructure, from roads to communications, could also assist the poor in maintaining their social networks better, which still play a role in their everyday and long-term survival. One of the more constructive ways to assist these networks is by maintaining both rural roads and roadways that are on the outskirts of cities, where many of the urban poor live. Roads allow the poor not only to access support networks, but also make it possible to access employment, markets, schools, and medical care. Telephones give people moral support, as well as the means to exchange useful information. With the support of formal institutions and infrastructure, opportunities for sustainable income generation would become more feasible.

Community-based programs that assist the poor must also recognize the indigenous support systems in the Kyrgyz Republic as viable mechanisms for their programs. Many such support systems (for example, razba and sherine) have been in place for generations and are already familiar to the community. Community-based projects that use these fundamental building blocks of Kyrgyz society could leverage established social relationships to achieve wider inclusion of the very poor. Finally, development interventions that stress direct outreach to the poor must be carefully designed with knowledge of the powerful gate-keeping role of local elites, especially in rural regions. It should be recalled that local NGOs are predominately staffed by such elites. If project interventions do not carefully take into account their complex role, resources may well end up in the pockets of the gatekeepers and not in the hands of poorer community members.

In summary, increased formal institutional support, improved infrastructure, sustainable employment opportunities, and well-designed community programs that reach out directly to the poor could help level an economic playing field that is growing ever more uneven in the post-socialist Kyrgyz Republic. In addition, exploring the interrelationships between the poor and non-poor, especially their social networks is a first step toward developing new ways to bridge the growing gulf between these socioeconomic groups. Engaging the non-poor directly in poverty alleviation efforts and finding new incentives for them to maintain or create linkages with the poor should be part of the social development agenda.

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29. For a discussion of how the Grameen Bank originated within the context of indigenous rotating savings clubs in Bangladesh, see Ardener (1995).

30. See Narayan (1999) on the relationship between social exclusion and social capital, which brings out the importance of power differentials and the potentially exclusionary nature of social capital.
Sixty-three percent of the population of the Kyrgyz Republic lives in rural regions, with a majority living at altitudes over 5,000 feet. Only seven percent of the country’s land is arable. In 1997, rural poverty rates of 80 percent were nearly double those in the urban areas and extreme rural poverty (14.8 percent) was nearly four times that of urban areas (Grootaert and Bastelaer 2002; World Bank 1999a).

The study was carried out in Naryn, Talas, and Jalal-Abad oblasts, where the greatest number of poor live. Although these oblasts have high poverty rates in common, their geographic and socio-economic characteristics vary. In Naryn, where an estimated 90.5 percent of the population is poor, the poor are more likely to be ethnic Kyrgyz. In the other oblasts, war refugees from Tajikistan and minority Uzbeks also figure among the poorest residents. Because high altitudes permit only a short growing season in Naryn, many are involved in animal husbandry. Natural disasters and closure of industries have contributed greatly to poverty in Jalal-Abad, where 73 percent of the population is poor. In Talas oblast, 67 percent of the population is poor and continues to confront soaring rates of unemployment, as well as problematic access to electricity and water. Other oblasts in which poverty is significant are Osh (65.7 percent poor) and Issyk Kul (64.5 percent poor). Only Chui Oblast (26.6 percent poor) and the city of Bishkek (6 percent poor) have lower poverty rates.

Throughout the country, poor households are characterized by more members and lower educational levels than the non-poor. Households headed by someone sixty or older in age have the highest poverty rates, while households with the youngest heads have the least incidence of poverty. Interestingly, female-headed households are less likely to be poor than male-headed households. A possible reason for this anomaly may be that female-headed households are more frequently the recipients of informal transfers of goods and money from relatives and neighbors. Rural and urban poverty differ, with the toughest hurdles for the rural poor being access to jobs, social services, credit, and information. The urban population has far better access to education, healthcare, and other services.
<table>
<thead>
<tr>
<th>Site</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Urban areas</strong></td>
<td></td>
</tr>
<tr>
<td>Bishkek, Capital City</td>
<td>Many newly created districts for migrants from the countryside. Disabled infrastructure, deteriorating roads, lack of public transportation, lack of basic facilities. Unemployment, low wages in the informal sector. Limited access to public institutions. Many new residents are not officially registered as permanent residents and are therefore unable to participate in public life.</td>
</tr>
<tr>
<td>Kok Jangak, Jalal-Abad</td>
<td>Once a prosperous mining and manufacturing town supplied with goods directly from Moscow, now in serious disrepair. The mine and two key factories were closed after 1991. Eighty-five percent unemployment. Administrative autonomy lost. Infrastructure collapsing. Situated in a mountain valley at an altitude of 1,500 meters. Severe weather, little arable land.</td>
</tr>
<tr>
<td><strong>Rural areas</strong></td>
<td></td>
</tr>
<tr>
<td>Achi, Jalal-Abad</td>
<td>Farming community, where most people used to be sheepherders. Composed of ten smaller villages scattered around a canyon. Landslides and mudslides forced people to move in 1994. Resettlement and privatization of a rich collective farm led to increased poverty. Altitude 1,100 meters.</td>
</tr>
<tr>
<td>Ak Kiya, Naryn</td>
<td>Rich collective farm dismantled a few years ago, leaving people poorer than before. Irrigation water used to be provided by pump, which is now broken. The temporary irrigation channel is not working properly. Many people involved in subsistence farming, but have poor harvests. A mountainous pass separates Ak Kiya from the rest of the country.</td>
</tr>
<tr>
<td>Beisheke, Talas</td>
<td>Farming community and administrative center. Poor farmers, who used to work at a productive collective farm. Lack of water. Erratic power supply. Small Kurdish minority.</td>
</tr>
<tr>
<td>Urmural, Talas</td>
<td>Farming community, close to the border with Kazakhstan. All but two families take part in a collective farm. Independent farmers are unpopular. Trade with Kazakhstan, but problems with customs officers. Fertile land. Underdeveloped infrastructure.</td>
</tr>
</tbody>
</table>
### Matrix A: Who Helps You?

#### Who helps you to solve problems or resolve issues in your daily life?

<table>
<thead>
<tr>
<th>Networks</th>
<th>To survive the transition or meet minimum basic needs</th>
<th>To improve social or economic situation (or their children’s)</th>
<th>To maintain social ties (ceremonial gifts for weddings, funerals, births)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Closely related family members (siblings, parents, children)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nearby friends</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Neighbors</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Urban relatives</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rural relatives</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Urban friends</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rural friends</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Work colleagues</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Association colleagues</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>NGOs</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mosque</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Aksakal</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Community-Razha</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other:</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### Matrix B: Who do you help?

Who do you help to solve problems or resolve issues in their daily life?

<table>
<thead>
<tr>
<th>Networks</th>
<th>To survive the transition or meet minimum basic needs</th>
<th>To improve social or economic situation (or their children’s)</th>
<th>To maintain social ties (ceremonial gifts for weddings, funerals, births)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Closely related family members (siblings, children, parents)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nearby friends</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Neighbors</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Urban relatives</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rural relatives</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Urban friends</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rural friends</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Work colleagues</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Association colleagues</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>NGOs</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Mosque</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Aksakal</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Community-Razha</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other:</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### Matrix C: To whom do you give

<table>
<thead>
<tr>
<th>Kinds of Transactions</th>
<th>To people who have more than you do</th>
<th>To people who have less than you do</th>
<th>To people who have about the same as you do</th>
<th>Members of your nuclear family (siblings, grandparents, parents, children)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gifts of money</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loans</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Food</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Clothes</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Medicine</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>School supplies</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bedclothes</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Home appliances</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Furniture</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Introductions to potential employers, doctors, school directors and other influential people (specify)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Important information (about jobs, humanitarian assistance, loans, etc., specify.)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Family members living in other households</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Temporary, non-paying member of the household who contributes some kind of support</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>In-kind services: babysitting, cooking, house repair, etc.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other transactions (specify)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other...</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
**Matrix D: From whom do you receive?**

<table>
<thead>
<tr>
<th>Kinds of Transactions</th>
<th>From people who have more than you do</th>
<th>From people who have less than you do</th>
<th>From people who have about the same as you do</th>
<th>Closely related family members (siblings, parents)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gifts of money</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gifts of credit</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Food</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Clothes</td>
<td></td>
<td></td>
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<tr>
<td>Medicine</td>
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<tr>
<td>School supplies</td>
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<tr>
<td>Bedclothes</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Home appliances</td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Furniture</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Introductions to</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>potential employers,</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>doctors, school directors</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Important information</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(about jobs, medical</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>advice, loans)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Family members being</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>cared for by other</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>households</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Temporary, non-paying</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>member who provides</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>household support</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>In-kind services:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>babysitting, cooking,</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>house repair, etc.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
These case studies were chosen from nearly 200 interviews to represent the types of dilemmas and opportunities that the poor and the non-poor, old and young, and men and women encounter in their daily lives. The case studies illustrate the different ways in which people depend on social networks, and how difficult it is to examine these connections without the use of qualitative data.

### Table 3: Profile of Interviewees

<table>
<thead>
<tr>
<th>No. of Cases</th>
<th>Respondents</th>
<th>Age</th>
<th>Oblast</th>
<th>Poor</th>
<th>Non-Poor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Case 1</td>
<td>Kermikul</td>
<td>29 yrs.</td>
<td>Bishkek</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Case 2</td>
<td>Ainura</td>
<td>30 yrs.</td>
<td>Jalal-Abad</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Case 3</td>
<td>Jalil</td>
<td>40 yrs.</td>
<td>Jalal-Abad</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Case 4</td>
<td>Lena</td>
<td>22 yrs.</td>
<td>Bishkek</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Case 5</td>
<td>Izir</td>
<td>29 yrs.</td>
<td>Talas</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Case 6</td>
<td>Kanymbubu</td>
<td>65 yrs.</td>
<td>Naryn</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Case 7</td>
<td>Asankun</td>
<td>59 yrs.</td>
<td>Naryn</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Case 8</td>
<td>Marzia</td>
<td>42 yrs.</td>
<td>Jalal-Abad</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Case 9</td>
<td>Tilekmat</td>
<td>30 yrs.</td>
<td>Talas</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Case 10</td>
<td>Bukul-ezhe</td>
<td>60 yrs.</td>
<td>Talas</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Case 11</td>
<td>Burul</td>
<td>53 yrs.</td>
<td>Naryn</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Case 12</td>
<td>Usonbek</td>
<td>43 yrs.</td>
<td>Naryn</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Case 13</td>
<td>Sarylbubu</td>
<td>47 yrs.</td>
<td>Naryn</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Case 14</td>
<td>Myrzabek</td>
<td>34 yrs.</td>
<td>Bishkek</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Case 15</td>
<td>Chalabai</td>
<td>67 yrs.</td>
<td>Naryn</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Case 16</td>
<td>Shaimbubu</td>
<td>50 yrs.</td>
<td>Naryn</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Case 17</td>
<td>Shaiyrcha</td>
<td>59 yrs.</td>
<td>Naryn</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Case 18</td>
<td>Amantur</td>
<td>22 yrs.</td>
<td>Naryn</td>
<td>X</td>
<td></td>
</tr>
</tbody>
</table>
Case 1

Name: Kerimkul
Age: 29 years
Occupation: Migrant Worker
Location: Bishkek
Socioeconomic status: Poor

*The person who has a hundred rubles will have a hundred friends.*

—Kerimkul

The story of Kerimkul, a 29-year-old loader in the Bishkek market, illustrates a rural migrant’s strategic use of village networks, kinship ties, and urban patron-client relationships to establish himself in the informal urban economy. Kerimkul is an ethnic Kyrgyz who grew up in Jalal-Abad. Privatization of collective agriculture created severe hardship for his family, which lacked sufficient inputs to successfully farm the 0.33 hectare plot they received. As a result, in 1994, Kerimkul moved to Bishkek to look for work.

Initially, he relied on his kinship and village networks. A relative who was driving a truck to Russia gave him a ride to Bishkek. There, Kerimkul was able to stay for a month with seven other fellow villagers, who had rented a one-room apartment. Within the month, Kerimkul’s job search began to pay off—he found informal work at the central Osh Market as a loader, earning 50–100 som a day. Another relative living in Bishkek introduced him to an elderly Russian woman, who was willing to rent him a room for 300 som a month. In return for this favor, Kerimkul still carries loads for this relative five years later at no charge. Moreover, Kerimkul continues to maintain his village network. Another man from his village has joined Kerimkul in the apartment, based on the agreement that Kerimkul pays the rent, while the villager, who sells food, supplies both Kerimkul and the landlady.

Kerimkul began by sending 500 som to his parents each month, an amount that has now grown to 1,000. He is under increasing pressure to help them provide for their other children, as well as to provide money during planting time. Although Kerimkul has only visited his family twice since his arrival in Bishkek, he takes his obligations as the oldest son very seriously.

Kerimkul’s ability to support himself and keep up with his family’s demands derives from his ability to take advantage of work opportunities, make use of village and kinship-based relationships, and to develop relationships with important “patrons.” Thus, soon after he started working as a loader at the Osh Market, Kerimkul came to the attention of the market administration. An administration official suggested that he rent a wheelbarrow for 300 som a month. Kerimkul agreed and describes this relationship as one of mutual benefit. The market employee benefits from this unofficial payment, at the same time the wheelbarrow has enabled Kerimkul to work faster and therefore earn more.

To succeed at his work, Kerimkul has to balance the expectations of his fellow loaders and his customers. Each day, the approximately 200 loaders who work at the Osh Market wait for customers in what they term “the parking lot,” where they share information and gossip. Although their cooperation is limited by the fact that they regard each other as competitors, they do informally negotiate a standard rate for charging customers. At the same time, Kerimkul has established special relations with a group of permanent customers, for whom he unloads each morning and reloads in the evening. He has cemented these relations by servicing them first, no matter how busy he might be, and by “discounting” the informal rate agreed upon by the loaders.

As the number of loaders increased at the Osh Market, Kerimkul was forced to expand his work. He began carrying loads to the bus station, about a mile away. There, an administration employee demanded that Kerimkul pay him 20 som a day in exchange for being allowed to work without a formal license. This employee also introduced Kerimkul to the local police officer, who extracted 20 som a day, ostensibly to keep competitors out of the bus station. Initially, the police forced out the
other unlicensed loaders, but by the end of the sixth month, ten other loaders were also paying similar amounts to the bus station staff and police. Yet Kerimkul understands that refusing to pay the required 1,200 som per month would severely reduce his opportunities for employment. Indeed, he is pleased he has been able to find a “roof” (Russian criminal jargon for a patron or protector) at his workplaces.

In addition to ties established through work, Kerimkul draws extensively on old and well-established ties with classmates. Six of these former classmates now living in Bishkek participate in a sherine. Each month, one of them hosts a gathering, and the others each contribute 100 som to the host. In addition, if one of them has a particular problem, they might each contribute up to 200 som, an amount that is recorded and repaid as soon as possible. The classmates are also part of an yntymak network, in which members donate money to offset expenses entailed by funerals, weddings, or other obligatory ceremonial events. For example, when the father of Oroz, one of the group, died, each member gave 500 som to Oroz to help offset funeral expenses. For weddings and other celebrations, member donates what they can.

Kerimkul expresses satisfaction with his present work. Although it lacks prestige, it allows him to send 1,000 som a month to his family, support himself in the city, and feel himself a “free bird.” He is pragmatic about relationships—he acknowledges his obligation to help his close relatives and seeks to expand relationships, which can bring both parties immediate and practical benefit. Kerimkul appears to instinctively understand the monetization of relationships in the new economy, observing that people’s relationships are now estimated in money, whether they are between relatives, friends, acquaintances, patrons, or clients.

**Case 2**

<table>
<thead>
<tr>
<th>Name:</th>
<th>Ainura</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age:</td>
<td>30 years</td>
</tr>
<tr>
<td>Occupation:</td>
<td>Housewife</td>
</tr>
<tr>
<td>Location:</td>
<td>Tash Bulak Village, Jalal-Abad Region</td>
</tr>
<tr>
<td>Socioeconomic status:</td>
<td>Non-poor</td>
</tr>
</tbody>
</table>

*Nowadays it is better to have a hundred som than a hundred friends.* —Ainura

The story of Ainura, a well-off villager, illustrates the way in which the rural non-poor rely on extensive kinship networks to enter professions in the new economy. Ainura’s kinship networks are characterized by reciprocity of favors and gifts, particularly via gift giving at ceremonial life events, but also in terms of loans, monetary, and in-kind assistance. Although her participation in a village network is also characterized by reciprocal relations, Ainura appears to share a great deal of food with her neighbors for free.

Ainura is 30 years old, married, and has four children; three children attend school and the youngest, an infant, stays at home with Ainura. Her husband is a trader and was the community leader of Tash Bulak during the previous year. They live in a big, four-room house and possess considerable domestic resources, including a Soviet car (Moskvich), an apple orchard, and livestock (two sheep, one cow, six turkeys, and ten chickens). Previously, Ainura worked as a technician at a service company in a neighboring town, then at a local collective farm. She worked at the last job for six months, but was never paid. She is capable of finding good employment in town via her kinship network, but turned down a job her cousin found for her, because she did not want to become a teacher.

Ainura considers her town to be largely poor; most residents are engaged in agriculture, which drought and infertile land have rendered unproductive. The water supply is insufficient, and many

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31. At the time of this study, there were 48 som to the dollar.
villagers run short of such basics as wheat, oil, and salt. By contrast, Ainura and her husband are well-off and receive considerable financial and material support from relatives, several of whom live in towns where they run small businesses such as kiosks and shops. These relatives include Ainura’s younger sisters and brother (who give Ainura cash, clothing, and food), her husband’s parents (livestock and cash), her husband’s sister and brother-in-law (cash), and Ainura’s okul ata and okul apa 32 (livestock and household gifts).

Support provided by kinship networks allowed Ainura’s husband to leave farmwork and enter the trading profession, even permitting him to survive an enormous loss. He began by selling cotton and went on to trade in gold, a lucrative but risky endeavor in which he quickly lost the equivalent of US $1,500 (which he had borrowed from Ainura’s sister). Nevertheless, the family overcame the loss without undue hardship because of familial support and the couple’s own considerable store of goods and food. Her husband currently sells cotton and tobacco.

Social networks are crucial to Ainura’s well-being and give her a prescribed social role to play with respect to her family and her neighbors. Ainura feels obligated to help her mother, the parents of her husband, and her close relatives. According to her, relatives must visit each other in order not to lose connections. She regularly gives food to her mother and gifts to relatives at life-cycle events; likewise, she receives gifts (money, rugs, clothing) when she celebrates such events. For example, when the family of Ainura’s okul ata and okul apa celebrated a circumcision—which she considers the most important event in a family—she brought them a carpet and felt (for floor covering). When she has her sons circumcised, they will bring the same presents to her.

Reciprocity within the kinship network also involves favors. When Ainura’s brother-in-law went to Russia last year to engage in trading, she and her husband took care of his children while he was away. Ainura and her close relatives also organize otrush gap, parties at which each person attending brings 200 som to give the family who hosts the event. The parties are also occasions for discussing problems and sharing information in the family.

Ainura is generous with her neighbors, many of whom are considerably poorer than she. She exchanges food—such as bread, salt, and tea—with them on a daily basis. Although she is unable to lend them much money or livestock because she knows they will not be able to pay her back, she does lend neighbors her shoes a few times a week when they need to go somewhere. When she has enough bread, milk, tea, wheat, flour, and oil, she gives these items to needy people for free, sometimes with a small sum of cash (100 som) as well. Occasionally she offers in-kind services (such as cooking) for neighbors’ life-cycle celebrations. She is equally generous with friends, having purchased medicine for a friend with tuberculosis. Within the village, people give oro zo bitir (alms) to the local mullah, who distributes the money to the poor.

Ainura’s networks are large, geographically diverse, and engage in cash transactions to a great extent. She receives information from all three networks in which she participates (her kinship network, her husband’s trading network, and the network of village neighbors), as well as from radio and television. She is easily the best-informed person in the village. Trading contacts, for example, have informed her about loan opportunities and taught her how to obtain a loan, although she has not yet applied for one. A cousin who works in the town of Jalal-Abad at the TV and radio station is a source of information about good jobs in the city. Ainura also refers friends looking for work in town to her sister in Jalal-Abad.

In Ainura’s opinion, money has reduced the need for blat (“pull” or influence at higher levels). In the Soviet era, people needed acquaintances with influence to resolve problems, now they can simply use cash. Cash has even invaded the reciprocity of old networks: her husband was unable to process a driver’s license through a friend in the State Automobile Inspection office until he paid his friend a bribe. Cash also facilitates medical treatment. Unless a doctor is your relative, said Ainura, he will not treat you without a cash payment.

32. In Kyrgyz society, a young woman is assigned an okul ata (godfather) and okul apa (godmother) upon marriage. Usually an older couple unrelated to the bride but with close connections to her family, the “sponsors” provide moral and material support to her throughout her marriage.
Ainura realizes that there is now a clear distinction between the rich and the poor, but believes that people with a lot of money also have many powerful friends. She notes that ceremonies held by wealthy people today are much more elaborate than in the Soviet past and cannot understand how people can spend so much money when others are hungry. In general, she appreciates sincerity and kindness in people. Residents of her village maintain close relationships with one another because many run out of food supplies between spring and harvest time. In order to stay in this network and receive help, said Ainura, people must be honest, never cheat one another, and always support one another.

**Case 3**

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<tr>
<td>Age:</td>
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<tr>
<td>Occupation:</td>
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<tr>
<td>Location:</td>
<td>Achi Village, Jalal-Abad Region</td>
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<tr>
<td>Socioeconomic status:</td>
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*Currently, the best friends are those who have the same social status.*

—Jalil

The circumstances of Jalil, a 40-year-old former herder, illustrate the sharp decline of living standards among Kyrgyz whose former jobs—and the social and economic networks associated with them—belonged to unproductive sectors of the former Soviet economy. A herder for almost 20 years, Jalil lost his job and fell into poverty when his collective farm was privatized during perestroika. He now depends on limited networks of close relatives, neighbors, and a few friends. Except for his wife’s family, Jalil’s networks are restricted to people as poor as he is and equally unable to expand their networks. Unemployment and the high cost of recent family funerals would have driven his family into extreme poverty were it not for the significant support provided by his wife’s kinship network.

Jalil is married and has five children: one has graduated from high school, three are still in school, and one is at home (five years old). Jalil has two years of vocational school training, and his wife completed secondary school. Both were highly successful in the Soviet system, first as herders in a collective farm, then as a cattle breeder and milkmaid, respectively. The couple worked hard and was consistently rewarded with bonuses and vacation trips for their productivity. During the Soviet era, Jalil and his family were provided with food, basic goods, medical treatment, and compensated with bonuses, trips, free concerts, and access to deficit goods.

Previously, Jalil relied on the government and had no need for a network. Today, he understands the need to cultivate connections, but poverty limits his ability to expand his personal networks beyond his village neighbors and a few friends. These latter networks have proven surprisingly solid and supportive in times of real need and he remains loyal to them. In his opinion, “A good neighbor is better than a distant relative.” For example, immediately after a landslide where he used to live, all his neighbors shared food and gave lodging to homeless friends. When he had to move his family to another area, long-standing friends from the army came to his village and helped them move, bringing enough food supplies to last for a week. One neighbor then allowed Jalil to keep a cow in his barn for the next year.

When Jalil’s brother died after a second bout of hepatitis, a hundred village families each contributed 10 som to help Jalil defray funeral costs. Jalil continues to participate in village networks by giving contributions for neighbors’ funerals or wedding ceremonies and helping prepare food and serve people at such events. He does this even if he must borrow money to do so, because he remembers how his neighbors helped him when he was in need. Without a regular source of income, however, he is unable to borrow much.
His neighbors and friends exchange bread, rice, tea, salt, and household appliances on a regular basis. Jalil manages to survive largely due to his wife’s family, which has provided his family with substantial support since Jalil lost his job. After selling his only cow to help pay for medical treatment for his dying brother, Jalil was forced to ask his in-laws for help with funeral costs after his brother’s death. When the 1996 landslide forced Jalil to move his family, his brother-in-law helped him obtain a loan to build a new house and his in-laws gave Jalil and his wife money to build a temporary, two-room house. Although they succeeded in laying the foundation of the new house, they continue to live in the temporary house because of insufficient building funds.

Jalil’s wife makes it a point to maintain her family network by frequently visiting her parents and other relatives, even when she has no presents to bring. She needs the moral support of her family and, without her visits, says they would forget about her. Jalil has four close friends who, although they cannot provide much financial support, can be relied on as a source of moral support. All are in the same predicament and feel unable to constantly ask relatives for help. They agree that relatives must help each other at big family events, no matter what, but are reluctant to keep requesting assistance from relatives with their own problems. Jalil is particularly close to a childhood friend with whom he works in cultivating rice. Each man has his own land, but they rent machinery and harvest together. Both men are very grateful that those who rent the machinery and sell fuel are willing to wait for payment until harvest time. Other than farming, Jalil helps neighbors with the construction of their houses, attends community meetings, and works on the construction of a local dam.

Jalil received his first job as a herder through blat in an arrangement brokered by his father. Today, he believes that money is more important than blat because it allows people to skip intermediaries and buy whatever they need. In general, he finds people are more suspicious and trust one another much less than they did during the Soviet era.

**Case 4**

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<td>Location</td>
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<td>Socioeconomic status</td>
<td>Non-poor</td>
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*There is no need for a hundred friends or for a hundred rubles any more, better instead to have one big friend who has a thousand som.*

—Lena

The life of Lena, a 22-year-old unmarried university student, reveals the limitations of network without powerful connections. A scholarship student at an urban university who receives a 90-som monthly stipend, Lena is far from being well-off. Unlike contractual students, however, she does not have to pay $300–$400 in annual tuition fees. She also receives food and money regularly from her parents and is able to rent a room from an elderly woman for 300 som a month. (Existing dorms have no sanitary facilities and have been taken over by non-university residents.)

Lena was able to enter the university on her own, without using connections or blat. As a scholarship student, she must continue to receive good grades or she will lose her stipend. She relies on her family and a network of fellow students to survive and to negotiate the hurdles of university life. Her parents, who live and work in the city of Talas, have an average income: her mother works for a private construction company and her father manufactures tomb monuments. (He works illegally because he is not licensed for individual employment and because exorbitant taxes make legal production “irrational.”) Lena returns the support she receives from her parents by helping them around their home, working in the garden, and purchasing medicines or products in the capital city of Bishkek that are not available in Talas. She normally visits her family three to four times a year. When she temporarily runs out of money, her fiancé Danil helps her, but she repays him at the first opportunity.
Lena also depends on her fellow students, with whom she spends most of her time. The nature of this network is both social and utilitarian. Together, students celebrate one another’s major life events (such as weddings and the birth of a child) by contributing to a group gift. The exchange of presents, however, has decreased over time as the economic situation of the students’ parents has deteriorated. Students also help one another to find out which professors require bribes and the price of bribes for better grades. Both honest and dishonest students appear able to survive at the university, although certain professors require a bribe for a passing grade, regardless of student effort.

During the examination period, if students know that the professor does not care about a student’s level of knowledge and will take a bribe, they collect 100–150 som per student and give the money to the professor through the group monitor or a student who has good rapport with the professor. Most often this is done by the group monitor who, as a rule, is an experienced person with organizational skills. Group monitors have the role of protecting students’ rights and act as a liaison between faculty and students. For computer-based exams, students can buy the answers for 30 som; occasionally they are “required” to purchase the professor’s computer manual on the subject. There are professors who will not take bribes and insist on subject knowledge. Lena has good relationships with these professors and tries to learn everything required by the curriculum. In turn, these professors value Lena’s motivation to study, which entitles her to her stipend.

Lena’s relationships with fellow students are varied, depending on the type of student. She cited three categories of students: scholarship (or budget), contractual students (often equally poor but who did not receive academic scholarships and thus must pay tuition), and those who are at the university at the will of their wealthy or powerful parents. The latter group doesn’t care for their studies and basically lead idle lives (they pay about 150 som per exam). Members of this group are generally isolated from the first two, but nevertheless serve an important function. Lena relates, “Sometimes, when we have problems with passing an exam or tests (there have been cases when the professor refuses to grade the student for no reason, and finds different pretexts), we have to look for ‘channels’ to this professor. We look for his friends, acquaintances, who would be able to help us. This is when students from the third category come to help. As a rule, they have good connections, sometimes they directly discuss our problems with the professor. In other words, these contacts have proved efficient and we manage to pass the exam or test. Naturally, we collect money for bribery either through the group monitor or through acquaintances that help build the contact.”

Once she graduates from university, Lena does not want to teach. An internship allowed her to see firsthand the difficulties of a teacher’s job and how little they are paid. She dreams instead of working in a respectable organization with a stable salary that would be enough for a “good living.” Although engaged, she does not want to marry now and prefers that she and Danil, her fiancé, not be financially dependent on one another. Lena believes she needs powerful patrons in order to achieve her goals. As she explains, “Without connections and powerful relatives or friends, one cannot achieve anything in this country; it is impossible or next to impossible.” In accordance with her conviction, Lena assists her fiancé Danil at his job at a billiard club. She works with him at the club for no pay in order to strengthen Danil’s relationship with the owner, who is considering letting Danil manage the club in the future.

**Case 5**

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<tr>
<td>Age:</td>
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<td>Occupation:</td>
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<td>Socioeconomic status:</td>
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*It’s better to have a hundred rubles than a hundred friends today. If you have money and property, you will have many friends and relatives. That is why a wealthy person can influence people with his status.*

—Izir
The circumstances of Izir, a 29-year-old unemployed ethnic Turk, illustrate the economic limitations of the poor, particularly those without higher education who were formerly employed in Soviet institutions that no longer exist. Because the poor are unable to fully reciprocate in the exchange of material goods, their social networks have contracted to include only their immediate kin. Although immediate family networks rarely have access to valuable social capital (such as connections to people who could find jobs for their relatives), they provide an invaluable last line of defense against utter poverty.

Izir is married to a Russian woman eight years younger than he. They have three children, two girls and a boy, all under the age of eight. The family lived with Izir’s father and stepmother for the first eight years of their marriage. In 1990, they moved to a house that Izir’s wife inherited from her grandmother. The small house consists of two rooms and a hall, which has an oilcloth window. The house is not whitewashed on the outside and is surrounded by a fence of dried tree branches. In addition to the house, the family has a shed, five sheep, five lambs, and two hectares of land. Izir cultivates wheat on the land; the harvest yields enough for the family and for the taxes levied by the Social Fund and Tax Inspection.

Despite having only eight years of formal education, Izir made a good living in the Soviet era as a shoe repairman in a local center for household repair services (a particular Soviet institution known as a dom byta). In addition to earning 500–600 rubles a month (a salary equivalent to that of a Regional Communist Party Secretary), he was able to make and repair shoes for his relatives, as well as to purchase scarce goods in the shops due to his workplace connections. He was well respected by his kin at the time because he was able to provide them assistance. Prior to the collapse of the USSR, he had 10,000 rubles saved to buy a car; a sum that was rapidly eroded by inflation thereafter.

Today, Izir and his wife are both unemployed and depend in large part on substantial assistance from Izir’s father. Their social networks are mostly limited to relations with Izir’s parents, his father’s extended family, and neighbors. Izir’s father and stepmother are well-off and own many cattle; the father is a skilled machinery repairman and the stepmother works in a hydroelectric station. They regularly purchase clothing for Izir’s family and often invite them to eat at their home. Izir’s father also gives him money when he needs it, which Izir is unable to repay. His wife’s only relative in the Kyrgyz Republic is an alcoholic father, who is unable to help her.

Izir’s father also provides crucial support to Izir by hosting guests who visit his son, thus enabling his son to maintain relations with his larger kinship network. The father has four sisters and one brother. Thanks to his father’s help, Izir is able to maintain relations with the 18 children of his aunts. He participates in food exchanges with this greater family network, in which they lend one another flour, tea, and oil, and occasionally borrow small sums (100 to 400 som) from one another. Unlike the loans from his father, however, these loans must be repaid on time. Izir also borrows wheat from these relatives several times a year, repaying them when he has his own wheat ground at the mill.

Izir’s aunts all married Kyrgyz men, but his four sisters all married Turkish men. He believes there is not much difference between the Kyrgyz and Turks in everyday life in the Kyrgyz Republic. He noted that the Turks try to maintain strong ties with one another because their numbers are small. Interestingly, acquaintances who have moved to Turkey—where Izir also has relatives—regret that they moved. The immigrants have evidently encountered discrimination against “Russians” from the former USSR and have been unable to buy land, finding themselves working as hired hands instead.

Izir maintains relationships with his four sisters without exchanging anything. His sisters understand his situation and feel sorry for him, but Izir is too proud to accept gifts from their husbands without being able to reciprocate. Izir says that if he were wealthier, his ties with his sisters would be much stronger. In any event, he is unable to see them often, as they live in Taraz, Talas, the Jambyl region, and Kazakhstan, and the cost of travel to these regions is prohibitive.
Izir noted that his network now consisted only of close relatives who love and understand him, independent of his wealth or poverty. He esteems this family support very highly and is determined to teach his children the value of having strong family ties. Recently, for example, Izir was able to finish building a shed for his animals because his uncle gave him some timber. Likewise, an uncle on his mother’s side visits Beishke once or twice a year and always brings him melons and other food, even though Izir cannot reciprocate by giving the uncle what his father does: potatoes, clarified butter, and meat.

In networks between people of equal status or financial condition, Izir noted that exchanges must be mutual, equal, and timely. Only in relationships with close relatives can debts go unpaid. Thus Izir’s exchanges with his father are not equal: his father always helps him, even when Izir cannot repay him, and always maintains relations with his son. They both understand this situation and consider it to be natural. Within a network of friends or more extended relatives, however, exchanges must be mutual, equal, and timely. For example, Izir is now unable to maintain relations with his okul apa and okul ata because he cannot afford to travel to attend their children’s life-cycle celebrations. He still feels obligated to give their children gifts for major events, even if he is unable to do so at the time of the celebrations.

Despite his young age, Izir’s hair is gray, which he attributes to his worrying about how he can improve his situation. His parent’s help has lowered his self-esteem and he often has conflicts with his wife due to financial problems. In some part, Izir attributes his lack of independence to having stayed at home after he was married; he did so in order to allow his youngest brother, who by tradition will live at home and care for his parents, to grow old enough to assume his familial responsibilities.

Izir indicated that in other towns of the Talas region such as Manas people worked harder and were able to accumulate wealth. In his town, however, he said, “If we work just for a while, everyone feels sorry for you and says you can damage your health by working hard. I used to get irritated by this, but now I don’t listen to them and do what I have to do. Recently I started making a fence for the garden. My neighbors asked me why I did it—everybody here is jealous.”

Case 6

Name: Kanymbubu
Age: 65 years
Occupation: Retired Collective Farm Worker
Location: At Bashy Village, Naryn Region
Socioeconomic status: Non-poor

Everybody is short of cash nowadays, so most transactions are barter transactions.
—Kanymbubu

The story of Kanymbubu, a 65-year-old retired collective farm worker and former Communist Party officeholder, illustrates that the value of social networks depends on the type of access they provide. An irrigator on a collective farm, whose hard work won her a job in grain storage and then the office of Secretary of the farm’s Party organization, Kanymbubu had a successful life in the Soviet regime. She and her husband both worked on the farm, where he was a carpenter, and were eventually awarded a free, six-room house. Today both are elderly, retired, and in poor health. They live in their own home, with the eldest sister of Kanymbubu’s husband, and they have a vegetable garden. Although they have little cash, Kanymbubu’s extended networks have allowed her and her husband to obtain quality medical care for serious medical problems.

The wages of Kanymbubu and her husband were low during the Soviet period, but she was nevertheless able to extend considerable support—monetary and material—to many relatives over the years. Many family members, particularly on her mother’s side, were and still are powerful people with whom she maintains good relations. Other members of her family network have
access to valuable social services such as health care. Today, in a sign of the reciprocal nature of Kyrgyz family networks, relatives previously assisted by Kanymbubu help her and her husband.

Kanymbubu has four children (two girls and two boys), all of whom are adults and were educated at no cost in Soviet institutions. Three are married and her remaining son, 26, is in poor health (he has a limp and a stutter). Kanymbubu is determined to help this son, who has not had medical attention in eight years. Kanymbubu’s oldest son lives in another village and cultivates a garden and fields; he supports his parents with meat, flour, and potatoes. Other rural relatives also provide the couple with food. Kanymbubu’s daughters live far from their parents and are unable to assist them, but neither do they ask for assistance, which pleases Kanymbubu. Although she and her husband were the okul ata and okul apa to several newlywed couples on their collective farm, most of these couples are unable to reciprocate today by providing them material or in-kind support due to their equally impoverished situations. As with her daughters, however, Kanymbubu understands the problem and is not offended. She knows that people today are unable to support their own parents, much less other people.

Both Kanymbubu and her husband receive pensions, which are occasionally paid in-kind in flour and oil. Technically, they are poor and unable to participate in any transactions other than barter. Previously, Kanymbubu was involved in transactions in which food, clothing, money, grain, and livestock were exchanged. Illness and hard times have, however, left her and her husband without anything to exchange. They have both spent a great deal of money on medical treatment and have had to repeatedly ask wealthier relatives for assistance.

Key members of family networks, particularly a nephew of Kanymbubu’s who is the deputy chief doctor of a Bishkek clinic, have arranged for the couple to receive quality medical care and medicines. In Kanymbubu’s case, she was able to travel to Bishkek for a successful treatment for kidney disease. In her husband’s case, he was able to have successful surgery in Bishkek and recuperate in a local district clinic, with all the needed medicines and supplies. (In the present-day Kyrgyz Republic, such a situation is very much the exception.)

Because Kanymbubu borrowed from her wealthier relatives to travel to Bishkek, she later felt unable to ask them to help her son obtain additional diesel fuel. That year he cultivated only as much land as he could with the diesel fuel he already possessed. Kanymbubu also feels obligated to repay her doctor nephew, whose help was instrumental to both her and her husband. Kanymbubu’s husband has been greatly assisted by his youngest sister, Asyl, who pays for his medicines and other things that he needs. In the past, Kanymbubu and her husband extended a great deal of support to all of her husband’s younger siblings, including Asyl and her children. Now most of these siblings are well-off and can assist them.

Kanymbubu belongs to a kinship network of her husband in which 12 households contribute to a razha in the case of a funeral or wedding. Kanymbubu and her husband also maintain close relations with six households of friends, in which they also contribute to razha. In the past, Kanymbubu supported her relatives, children, and in-laws, but in recent times she has repeatedly asked close relatives for support without giving them anything in return. She fears that if things continue in this fashion, she will lose the support of her family network altogether. She believes that it is very important to return a favor today, whereas in the past, people—especially relatives—were more likely to help one another without expecting anything in return. One looming family obligation for Kanymbubu is the expensive task of providing a dowry for her oldest granddaughter and helping her secure a good job (by paying a large bribe).

Although Kanymbubu once had a large network of friends and colleagues, their number decreased dramatically after she stopped working as a warehouse manager and secretary of her collective farm’s Communist Party committee. In her opinion, many dropped out of touch when she could no longer help them. Many relatives have also fallen out of touch, mostly because they cannot afford traditional presents and are too ashamed to visit.

Kanymbubu believes exchange is not the same as it was in Soviet times. In the past, most transactions involved money, although there was occasional barter; today, barter is the norm. Similarly,
blat and bribes are now needed to have any minor issue resolved, whereas in the past, she believes they were common only among high Soviet officials. The increased need for bribes and blat has a direct impact on social welfare and is creating situations less just than those that existed in the Soviet era. For example, when Kanymbubu received her house from the collective farm, a member of a local Communist Party organization of another village petitioned for the house. The farm nevertheless awarded the house to Kanymbubu because they decided that an ordinary worker could not afford to build her own house. Today, she says it would be impossible to refuse a similar request from a member of the Kyrgyz parliament. Much the same situation holds for social benefits. Kanymbubu’s mother-in-law, for example, went blind from meningitis and was awarded a disability from the Soviet government. Recently, a blind neighbor applied for a similar government disability. The doctor who examined her first extorted 1,000 som and then told her the final decision on her disability was not in his hands!

**Case 7**

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*It is very difficult nowadays to resolve problems without money. At the same time, it is nice to have both money and friends.*

—Asankun

The life of Asankun, a 59-year-old pensioner, illustrates three major trends affecting the rural poor in Kyrgyz Republic: the exclusion of the rural poor from the cash economy; the sharp drop in the standard of living caused by privatization of collective farms; and the durability and loyalty of classmate and neighbor networks.

Asankun is the father of seven children. His first wife died when his youngest child was four; he has since remarried and his new wife is helping him to raise his children. His elderly mother of 84 lives with him, as does an impoverished classmate. Although poor, Asankun does not have the heart to send his friend away, fearful that he might simply die somewhere alone.

Like his neighbors and classmates of the same income level, Asankun survives almost entirely via barter in labor, livestock, and food products. His pension is rarely paid on time and there is often no cash in his household for three to four months at a time. His second son spends his days collecting empty bottles, which can be redeemed for 0.5 som each; this income permits the son to purchase clothes.

Asankun was highly successful in the Soviet era as an agricultural equipment operator on a collective farm, a job he held for 40 years. He was one of the best operators in the area, received numerous awards for his work, and traveled to many cities of the former USSR to attend symposia and conferences. Asankun believes that in Soviet times, people were reliable and responsible. Good workers were valued; they were eligible for 50 percent discounts on utility bills and coal purchases, and could travel on public transportation for free.

Today, Asankun’s life is hard. After the collapse of the collective farm system, his share of the common livestock amounted to 30 sheep, a cow, and a horse. One year later, he had only five sheep. The rest died of diseases and he was unable to treat them. Colleagues who did not understand that they needed to develop their own farmsteads traded their livestock for food and, in many cases, vodka. Such families are today completely impoverished and unable to recover from their loss.

Asankun believes the country is becoming more and more poor. Factories are closed, virtually nothing is produced in Kyrgyz Republic, and most people make a living by trade. In his opinion,
privatization has meant theft, not economic development. “The market economy will not lead us anywhere,” he said. “All that we used to have in Soviet times has been stolen.”

Asankun grew up in a poor family. His father died when he was 16 and, as the eldest son, he began work immediately after high school in order to support his family. Today, his family network has very limited resources. One brother lives in the town of Naryn, works in the fire brigade, and has six children. Another brother also lives in Naryn and has seven children; both this brother and his wife are unemployed. A third brother lives in another village and has five children; three sisters are married and live in neighboring villages.

Asankun belongs to the Esetai tribe, whose kinship network is led by a highly respected and honest leader. This man always helps the poor and treats all tribe members equally, regardless of their financial status. Razha within this network requires a contribution of 25 som, which is the same for rich and poor alike. Rural members of such networks are becoming fewer, however, because the poor lack cash. For example, in the past, as many of 30 of Asankun’s rural relatives would pool contributions for kalym (bride payment); today, no more than ten people might participate in such a razha.

Asankun’s neighbors continue to organize razha with a 20-som contribution. Big celebrations and funerals occur in every household, so all neighbors try to make their contributions in a timely manner in order to maintain their position in the network. Family obligations often cause Asankun to borrow from neighbors. After a visit of his wife’s brother, Asankun had to give the man’s family presents such as fabric for a dress, a shirt, a suit, and a scarf. He borrowed these goods from neighbors and agreed to pay them back in cash. In the end, however, he was forced to pay by giving them a sheep.

When he needs to resolve problems with official institutions, Asankun believes that issues can only be resolved by talking directly to the person in charge. If intermediaries are involved, it takes a long time and requires many bribes. Recently, Asankun’s eldest son was drafted and assigned to the Ministry of the Interior, where he did not want to serve. Asankun managed to get him a job as a driver by speaking directly to a colonel who was originally from Osh; Asankun’s sister is married to a man from Osh and Asankun told the colonel he was an in-law.

Asankun believes the networks of the poor are deteriorating and those of the wealthy are developing. He does not perform any big economic transactions and believes that no poor people can. Neither can the poor really participate in networks due to lack of cash. In general, the poor in his village are limited to small barter exchanges, such as trading flour for potatoes, eggs for milk, or hay for grain. Even when they borrow from a shop, they repay in kind. Asankun borrowed goods worth 100 som from the local shop (tea, sugar, cotton seed oil), intending to pay in cash when he received his pension. After a four-month delay in payment, however, he had to repay his debt in wheat.

Asankun believes that bribery was very rare in the past. People did not openly solicit or give bribes, and, even when bribery occurred, it was never done openly. Asankun can only make a cash payment if he borrows money. He faces such a predicament with his daughter’s upcoming graduation from high school, which will require a 350-som contribution for the party and a present for her teacher. When interviewed, he had not yet figured out where he could borrow this sum.

### Case 8

**Name:** Marzia  
**Age:** 42 years  
**Occupation:** Shopkeeper  
**Location:** Kok Jangak Village, Jalal-Abad  
**Socioeconomic status:** Non-poor

> Connections are needed everywhere. To maintain good connections, one has to have money. Nowadays with money, any issue can be resolved.

—Marzia
The life of Marzia, a wealthy 42-year-old shopkeeper, illustrates the advantages enjoyed by Kyrgyz who were able to successfully privatize a valuable asset, in this case, a store. Marzia is the chief benefactor of her two primary networks, which are comprised of kin and work associates. Because her networks enable her to access goods, useful information, and influential people, Marzia has valuable social capital. Although she maintains relations with networks of neighbors and friends, her participation in these networks is nominal. Her motivation for remaining in these networks appears to be a combination of tradition, compassion, and good business sense.

Marzia uses her considerable resources to assist her immediate family, her siblings and father, and her husband’s family, on whose behalf she spends large sums of cash. She maintains a high level of traditional gift giving and she bribes officials to achieve specific ends, such as importing food from Uzbekistan.

Marzia is married with four children. Her husband used to work in a mine and now occasionally helps at the store, but it is Marzia who manages the store. Her eldest son works as a trader in Bishkek and is enrolled in a distance education program at Osh University law school. A daughter lives alone in Osh in an apartment that Marzia purchased; the girl is presently majoring in German at Osh University. Both children are “contract” students whose annual tuition costs their mother 10,000 som. Marzia fully expects to pay a large bribe to secure her son a job when he graduates from law school.

Marzia has always had an extensive and useful network of work associates. During the Soviet era, she worked as a shopkeeper in the trade sector—one of the most lucrative jobs in the Soviet economy because it granted access to deficit goods. She managed to become wealthy in Soviet days and was able to purchase many goods in short supply, regularly finding and selling quality imported goods to people at their request. According to Marzia, her life as a shopkeeper helped her to become a good psychologist and learn about people whose lives were affected by shortages.

When privatization began, Marzia used her network to successfully privatize a store located in the Kok Jangak market. The original price of the store was 7,500 som, but competition and bribes to speed the paperwork raised the price, although she declined to reveal the actual sum. Marzia works hard to make her store work and regularly travels to the towns of Osh and Kara Suu (Kyrgyz Republic) and Andijan (Uzbekistan) to purchase goods and products for her store. While she is gone, a younger sister who works for her is in charge of the store.

Marzia and the other traders with whom she regularly travels pay bribes as a cost of doing business. These traders travel in groups, each with a leader who collects money to rent a bus and pay customs dues. Marzia has been unsuccessful in building relationships with police and customs officials because they frequently change places of work and their demands grow over time. So Marzia simply pays bribes—either in money or goods, depending on the negotiation—every time she travels to purchase supplies. She believes that police and customs officers extort bribes from traders openly and in the most impudent way. In addition, many restrictions govern what kind of products can be sold in her store, such as the ban on selling Coca Cola made in Uzbekistan. Because people are scared of the police and want to maintain good relations with them, any transgression of restrictions is quickly reported.

Marzia is the eldest of nine children. Since her mother’s death, Marzia has helped to support her siblings and her father. After her father’s second wife abandoned him, Marzia found a third wife for him and paid in excess of 3,000 som for presents for the bride and the bride’s relatives, as well as covering the cost of the sheep that was butchered at the wedding celebration. She and her husband visit her husband’s relatives once a month in Aksy, 20 kilometers away, and bring rice, flour, candy, sugar, and small amounts of cash (100–500 som). Formerly, the couple visited his relatives more often, but the rising cost of gasoline and Marzia’s busy schedule have reduced the number of visits.

Although well-off, Marzia does not consider herself wealthy. In order to make friends with very wealthy people, she says she would need much more money than she has, so she prefers to socialize with her equals. Yet her relations with fellow villagers reveal the acute social stratification that exists in her town. “The poor talk a lot. They keep discussing my money and the way I make
Her relations with the poor are more complicated than her interactions with the wealthy. Marzia says she regularly lends money to people who do not repay it. They repeatedly delay repayment, telling her that they do not have enough money to buy food every day, much less repay their debts. In some cases, asking for repayment has sparked ugly incidents with old friends. In general, Marzia tries to help the poor, those living alone, and families with many children, because she believes this is the duty of any Muslim. She regularly gives flour, tea, sugar, salt, matches, and money to neighbors when they ask for them. Occasionally she grants discounts at her store and she sometimes gives food to an elderly Russian woman for free. In addition, she participates in neighborhood networks by helping her neighbors host traditional feasts by helping with the cooking and hosting guests.

In Marzia’s opinion, money is more important today than blat, although she believes one cannot do serious business and survive without blat. Marzia assesses her wealth as average and says that blat is not so important for her; she needs the blat mostly to keep the store functioning and to support her children. In general, she believes that her networks are much smaller than they were in Soviet days. Currently, her relations with others are limited to business and the only people she trusts are her relatives.

**Case 9**

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<td>Socioeconomic status:</td>
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_The saying ‘Better a hundred friends than a hundred rubles’ still corresponds to reality._

_To have friends, one does not need a lot of material opportunities to stay in the network._

_But to keep up network ties, it is necessary to work hard and have good earnings._

—Tilekmat

The life of Tilekmat, a 30-year-old unemployed man living in Urmaral, illustrates the crucial support that large, tightly knit family networks provide to the poor. Such networks enable the poor to maintain social relations and enjoy some kind of social status, as well as to participate in network exchanges, even if such exchanges are largely in-kind and in labor.

Tilekmat is married and has two small children. He and his wife married in 1992 and lived with his parents for three years, after which they built their own house in a nearby village. Their house consists of four rooms, two of which are unfinished. The couple has very little furniture, no children’s toys, and worn clothing. Half of their slate roof was torn off by extreme wind and has not yet been replaced.

Tilekmat and his wife both have high school-level education. Previously, he worked on a Soviet collective farm and his wife was a tobacco grower. Both are presently unemployed. Tilekmat is a member of a peasant farm from which he leases one hectare of land, where he cultivates wheat. He suffers from poor health as a consequence of his army service. As was common in Soviet times and continues to this day, many soldiers suffer severe injuries in their first year of service from hazing by second-year soldiers. Hazing is an institutionalized phenomenon in the army, and according to Tilekmat, follows well-established unwritten rules and often results in either the death or suicide of many young draftees.

Tilekmat incurred both head trauma and internal injuries from hazing, causing him to spend two years in a hospital. He continues to need annual medical treatment in Bishkek, for which his parents cover the cost. He is very grateful to his parents for their assistance, noting that he would be completely broke if he had to pay for these medical treatments.
Tilekmat and his wife belong to three types of networks—those of relatives, friends, and neighbors—all of which enable them to survive the difficult period of transition. Their participation in these networks is mostly limited to in-kind exchanges of small amounts of food or labor. At more formal celebrations such as the housewarming of Tilekmat’s *opus ata* and *opus apa* they must either borrow money or rely on their parents to provide an animal as a gift.

Tilekmat has six sisters and one brother with whom he and his wife keep very close ties. His wife has seven sisters and three brothers with whom they try to keep in touch, but are unable to visit. As a result, her visits to them more often than vice-versa. Both Tilekmat and his wife are greatly loved by his sisters; one of his wife’s brothers is also close to Tilekmat and helps him whenever he can. Tilekmat is known and respected in his family for being very kind; his wife has obviously earned the respect and love of his family. She often cleans and does laundry for his parents, for which they are very grateful. One of her sisters lives in the town of Talas and once a year brings them many used clothes from her children.

Within both kinship networks, both Tilekmat and his wife receive material and in-kind support that they cannot reciprocate. Given that they are young and considered to be only starting independent lives, their families consider this normal and do not insist on equal exchanges. Tilekmat is aware, however, that as he grows older, he will be expected to return assistance from his kin at the same level it is rendered to him.

For example, the young couple built their house with the help of both kinship networks. Tilekmat’s parents purchased window and door frames, slate for the roof, and paid for the construction of a wall. In addition, they gave the young family a cow. Tilekmat’s brother-in-law gave them money for building expenses and donated a sheep to be slaughtered for the *ashar* (the name for the time during which relatives and friends help build the house).

At the housewarming that followed, his parents gave them a carpet and curtains for one room, his wife’s parents gave them a big carpet, and his wife’s sisters gave them dishes and three carpets. Today, the house is now virtually empty except for one carpet on a wall, indicating that the couple may have given some of the gifts they received to others.

Tilekmat and his wife regularly assist their relatives to host traditional life-cycle celebrations. In his clan, the family that hosts an event calls a family council (*kenesh ayak*) beforehand, at which time the elders decide how many livestock will be needed, who will donate them, and assign specific roles to all relatives who will help host, cook for, and serve the guests. If the *toi*, or traditional ceremony, goes well, it is considered an honor for all relatives involved. When he was young, Tilekmat’s job at such functions was to boil water in the samovars for tea; now that he is older (but still considered young), he boils the meat. Tilekmat also participates in a *razha* with eleven families in his kinship network to cover the cost of funeral ceremonies.

Tilekmat keeps relations with six families of his close friends, who support one another in every way possible. “I can borrow money from them when I need it. When I run out of flour, I can borrow flour from them as well—I can even borrow potatoes,” he noted. Until last year, these friends celebrated their birthdays together, but the cost of the traditional meal at these celebrations has since forced them to discontinue the tradition.

Tilekmat and his wife also belong to a network of neighbors with whom they exchange food products, such as bread, salt, tea, and matches, as well as household items such as plates and dishes. They and their neighbors also help one another at traditional celebrations, helping to prepare treats, fry *borsook*, arrange the table, and then clean up and wash the dishes afterwards. The street where Tilekmat lives mostly consists of new houses with many young families. They freely borrow food and implements from one another until they can return such debts.

Tilekmat has recently noticed changes in mutual relations between people. He believes everyone is now concerned only with their own problems, which increase in number. He believes a person cannot enter a network unless they can enter transactions. In general, Tilekmat thinks it is better not to keep relations with friends and relatives if one cannot enter transactions because of the humiliation of not being able to reciprocate. Tilekmat values his kinship networks and the support they
provide him. “I like the fact that the Kyrgyz people have such important family ties—I support this. These are the people who will always support you, both in grief and joy.”

**Case 10**

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<td>Socioeconomic status:</td>
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From the 1970s to the 1990s, rather than ‘Better a hundred friends than a hundred rubles,’ the saying should have gone, ‘Better to have influential relatives than a hundred friends or a hundred rubles.’ Today, the saying should go, ‘If you have a hundred rubles, you will have a hundred friends.’

—Bukul-ezhe

The life of Bukul-ezhe, a 60-year-old pensioner living in the village of Kenesh, is a good illustration of the high level of traditional gift giving sustained by the non-poor in the Kyrgyz Republic. Bukul-ezhe and her husband are wealthy: they own a large house appointed with expensive carpets and electric appliances, a farm, livestock (50 sheep, 3 cows), and a large garden plot. Formerly, Bukul-ezhe worked on a collective farm; her husband worked as an accountant at a variety of different enterprises. Prior to the disintegration of the local collective farm, he worked as the cashier there; he nowheads his own peasant farm.

Bukul-ezhe and her husband have nine children, three boys and six girls. In accordance with Kyrgyz tradition, the youngest son lives with his parents, together with his wife and small boy. All of Bukul-ezhe’s remaining children are married and have children, except for one daughter (35), who lives in Bishkek and works at a restaurant. The couples’ oldest two sons live in Talas, their daughters live principally in Bishkek, with one daughter in Karakol (a distance of 700 km).

The parents provide substantial material and in-kind support to their children. They also maintain extensive kinship relations, including regular participation in the life-cycle events of their children’s in-laws. (As Bukul-ezhe explained, “In order for the children to have peace in their own families, I have to keep good relationships with the in-laws.”) Bukul-ezhe travels regularly to see her children, their in-laws, and her relatives. Last year, she donated 600 som and a rug for the housewarming of the brother of one son-in-law. She also attended the funeral of another in-law’s brother, bringing presents and visiting the family for ten days.

After a great deal of visiting, Bukul-ezhe took a ten-day vacation at a health resort in order to rest. She and her husband were clearly well-off even in Soviet times, when she was able to provide her daughters with extensive dowries that each included a set of furniture, a refrigerator, numerous blankets, a carpet and traditional clothing. Bukul-ezhe believes her children need support in these difficult times. In 1991, she and her husband purchased their eldest son a house in Talas for 1,500 rubles; they intend to purchase a house for the second son this year. She regularly provides food (potatoes, butter, homemade kefir, milk) to her eldest son, who has a wife and four young children at home. This son runs a successful tire repair shop in Talas, but does not earn enough to provide for his family.

In 1994, the couple traveled to a housewarming of their daughter in Karakol, to which they brought the monetary equivalent of a colt, together with a sheep, traditional clothing, and gifts. Her youngest son is presently receiving treatment for a kidney problem in Bishkek, on which she and her husband will spend no less than 4,500 som. This son’s wife had surgery last year and is still unable to do heavy housework around the home, which Bukul-ezhe now does for her.

According to Bukul-ezhe, she did not participate in any networks until she was married, at which time she began to participate in the networks of her parents, siblings, the relatives of her par-
Bukul-ezhe believes that if a person participates in a network, the relationship must serve for the transaction of items, be they livestock, a car, furniture, or non-material items such as advice, information, or gossip. She uses her networks to survive the transition, to keep social ties, and to improve her social and economic situation. Principally, she and her husband conduct transactions in livestock (a colt, a calf, a horse, a sheep), although they also give money, particularly when the distance to be traveled precludes bringing an animal. In general, she believes people today give more money than other items, a trend she traces to the poor’s inability to sell their only cow or sheep for a celebration.

Bukul-ezhe is very conscious of the increasing disparities in wealth in the Kyrgyz Republic. Despite the fact that life is worsening for most people, she noted that the number of traditional celebrations and the money spent on these celebrations was increasing, regardless of whether the families involved were rich or poor. For example, she said that in the past, only daughters and close relatives brought carpets to funerals, but that today many people, even the poor, bring carpets. She believes this behavior is the result of increasing social pressure to maintain status, with the wealthy attempting to show off their superiority at life-cycle events.

Bukul-ezhe does not consider herself among the very wealthy, noting, “There are average people like us, who try to give what they can [at a family celebration], usually a colt, a calf, or a sheep.” She herself is shocked at the callous behavior of the very rich: “In the past, there was no big difference between the rich and the poor. As the wealthy get richer, they are losing their human qualities. They are losing the ability to help a close relative.” By contrast, Bukul-ezhe believes she must help her children as much as she can, as well as her close relatives and neighbors. She often gives less fortunate neighbors flour and food for free when they need it.

Bukul-ezhe is also cognizant of the shrinking social networks of most people and the psychological isolation this is producing: “In general, people are losing their ability to sympathize and empathize in their relationships and are becoming more cruel and rude toward one another. People are facing tough living conditions and one cannot blame people for becoming detached and angry.” Even Bukul-ezhe’s network of friends has shrunk. She and her husband now associate only with two families of close friends, and then only at holidays. These friends regularly donate 500 som to each other for funerals, and whatever they can for other events.

Bukul-ezhe believes that blat was widespread under communism, but is very weak now. During Soviet times, many situations could not be resolved without blat, such as obtaining medicine or a deficit item, visiting a doctor, getting a referral to a health resort, or buying plane tickets. “Today,” she said, “if you have money, you can resolve any problem. The main thing is to find the right person who can resolve the problem and provide the appropriate amount for a bribe.” She also claimed there was a great deal of corruption in clan relations at higher levels of power: “If someone is appointed to some position, he will take all his relatives with him.”

**Case 11**

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<tr>
<td>Socioeconomic status:</td>
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*One needs money to enter a network. Without money, one can hardly do so.*

—Burul
The life of Burul, a 53-year-old widow living in At Bashy village, illustrates the limited networks of rural poor households headed by a single female. Burul’s family is sustained by networks of family, neighbors, and colleagues, all of which organize razha collections. Most people in these networks are as poor as Burul, but they support one another as much as possible. Lacking cash, they are excluded from all but the most basic economic transactions.

Burul is the mother of eight children; three children have left home and the rest are still young. She had four children by her first husband, who died in 1980 of a heart attack after a long illness. Despite help from her mother and elder sister, Burul married again after three years because she was unable to support herself and her children. She had four children with her second husband, a construction worker who landed in jail after a stabbing.

Burul has never had an extensive network, even during Soviet times. Her parents earned low wages on a collective farm and had ten children; her mother also worked as a tailor. Burul attended a vocational school for a time after high school, but married young and started a family at 18. Her mother raised Burul’s eldest son from the time he was two months old (by the Kyrgyz custom anamat, the eldest child is often given to the parents to be raised). When her second husband went to prison, Burul was living in the Issyk Kul region. Her in-laws helped her as much as they could, but were very poor themselves and Burul often did not even have bread.

Burul finally returned to At Bashy, where she had relatives that were better off. For the first year, she and her children lived with her sister in the town of Naryn. Her sister works as a teacher and her brother-in-law as a mechanic. Burul now ekes out a living selling Kyrgyz food (pastry, vegetable pies, and kumys—the national beverage) at the local market. She arrives very early in the morning and works until late in the evening, often earning as little as 10 som a day. Some clients pay her with in-kind ingredients because it is easier for them than to pay in cash. Burul said that most people did not have much money, even for very basic things, and so she earns very little money.

Of Burul’s children, one son is a businessman in Bishkek; one daughter was abducted after high school, married, and is now divorced with a child; one son is unemployed; one son is attending vocational school; another son has dropped out of school; another daughter is in second grade, and her last daughter is not yet in school. Their chances of obtaining a higher education are slim. Burul’s neighbor has a daughter who will graduate from high school this year. Although an excellent student and a candidate for a gold medal (an award for academic excellence), there is a good chance the girl will not receive the medal. People are willing to pay more than 5,000 som for a gold medal because it gives a student an advantage in university admissions. According to her neighbor, there is no fairness nowadays and everything is done based on bribery and blat.

Burul’s employment at the market gives her access to a chernaya kassa network in which all the traders pool 30 som each day and 100 som each week and give it in turn to each participant. This system has been in practice in labor collectives since Soviet times. This money is clearly an important support for Burul’s family. Not only does it help them replenish their family budget, Burul also believes it gives the participants in the network a strong sense of belonging.

Burul also participates in a razha pool through her family network, in which she and her close relatives contribute 100 som for major ceremonial events like weddings or funerals. Most members of this family circle, as well as the families they are related to through marriage, are only able to host and/or participate in traditional ceremonies due to razha pools. Her niece, for example, was married recently and the husband’s family raised money for the kalym (bride payment to the parents) through a razha.

Due to lack of money, Burul and her neighbors are unable to sustain connections with family members who live far away, particularly those in the cities. Public transportation is now both scarce and very expensive; the cost of travel prevents many relatives from attending ceremonial events. In Burul’s circle, if family members are able to attend such an event, they often bring in-
kind *razba* contributions such as potatoes, carrots, beets, and other food for the celebration, instead of presents.

Burul and her neighbors have a close network. They provide moral support and continually lend one another basic products such as salt, pepper, bread, and yeast. Even though she is poor, Burul tries to help her neighbors and often lends bread and salt to a neighbor who never receives his salary on time. She also participates in a neighborhood *razba* in which each participant contributes 20 *som*. Because she lives without a husband, it is considered improper for Burul to have male friends, so all of her friends are women.

Burul believes the quality of life was better in Soviet times, when life was more affordable, and people used to socialize more and enjoy their free time. Now, according to Burul, people rarely get together and when they do, the occasions are far less fun. High prices make it next to impossible for the poor to buy even the most basic things, and she considers the social exclusion of the poor a growing problem.

**Case 12**

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<td>Occupation:</td>
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*It’s true that a hundred friends are better than a hundred rubles. Nowadays, one cannot make a decent living without connections. Besides, it’s smart to have friends who can help out during a difficult situation.*

—Usonbek

The circumstances of Usonbek, a 43-year-old history teacher living in At Bashy, illustrate the difficulties faced by the rural intelligentsia dependent on state salaries. Even with good networks, such individuals do not possess the considerable cash resources now required to access social infrastructure or to survive the ups and downs of entrepreneurship in the new economy.

Usonbek is married with five children, and both he and his wife have university educations. His wife previously worked as an accountant at a motor depot; she now stays at home to care for their children, four of whom are still at home. The family has five sheep, one cow, and a garden; Usonbek wants to increase the size of his sheep herd. Although he considers himself poor because he is not paid on time and is perennially short of cash, Usonbek is able to pay tuition and support one of his children at the university in Bishkek—means that differentiate him from the very poor.

Usonbek twice went into business for himself, first as an illegal importer of gasoline from Kazakhstan and then as a trader of gasoline purchased in Bishkek. In both cases, his cash resources were insufficient to overcome two severe setbacks (gasoline and truck seized) whose resolution required very expensive bribes (for example, he “repurchased” his truck from the Kazakh police for US $300). In the end, Usonbek abandoned entrepreneurship and returned to teaching.

The material resources owned by Usonbek are largely durables or livestock, and he must either conduct barter transactions or incur the time delay associated with turning a cow or sheep into cash. Lack of cash is a considerable barrier to access, particularly with respect to any institution of higher learning for Usonbek’s children.

Like many villagers, Usonbek cultivates kinship networks but these networks have decreased in size and financial support. He now keeps contact with about 30 relatives. Whereas everyone in this circle was once able to purchase presents, Usonbek notes that relatives must pool resources today to purchase just one gift. He participates in a rural *razba* in which rural relatives each donate 50 *som* to
help others cover the cost of funerals. His eldest brother, who owns land and livestock in the village of Bash-Kaindy, is the most influential relative in his family network and occasionally helps Usonbek by giving him potatoes. Usonbek can give his mother clothes, but is unable to give her cash.

In addition to kinship networks, Usonbek has a network of about 40 friends in his village with whom he socializes and a professional network of about 80 teachers, including university professors in Bishkek. He is lucky to be able to obtain assistance from these networks in return for in-kind payment. For example, professor friends helped Usonbek’s eldest daughter gain admission to the university in Bishkek in return for the meat of one sheep. Corruption in institutions of higher education has reached the point where admission exam answers can be purchased ahead of time. Unfortunately, because the university rector added last-minute questions to the exam, Usonbek’s daughter did not score high enough to be considered a “budget” (scholarship) student and entered university as a “contract” (tuition-paying) student. Usonbek must now pay 5,000 som annual tuition, plus his daughter’s room and board in Bishkek.

In order to get his son admitted into the police academy, Usonbek will exchange reciprocal favors within his professional network. His university professor friends have promised to help get his son into the academy if, first, he provides the academy instructors a sheep, and second, if he finds relatives who will pay his professor friends the standard $2,000 bribe to have children admitted to university in Bishkek. Usonbek believes that both money and blat are needed today for most transactions and that social exclusion results from the inability to participate in networks.

Usonbek is aware that poverty is causing self-segregation among income groups, which leaves the poor unable to improve their standard of living. “Many people nowadays can’t participate in networks,” he noted, “because they don’t have enough money for it, so they only associate with those who are as poor as they are, because neither party is obliged to the other and their relations are free of these problems.”

Usonbek faces difficulties, but they do not appear to be of the same magnitude faced by other impoverished Kyrgyz. He related the story of an acquaintance in the town of Naryn who works in nonferrous metal trading. The sale of aluminum and copper wire to Chinese businessmen in China is very lucrative, but the business requires a large sum of startup capital. Many Kyrgyz secure loans to enter the business by virtually selling their children into slavery in China. They return to Kyrgyz Republic, purchase nonferrous metals with the loan monies (usually in black market transactions), and then sell the metals to the Chinese. With the proceeds of the sale, they redeem the children left as collateral. Usonbek’s acquaintance secured a loan from Chinese businessmen by leaving her daughter with them. Due to lack of expertise in selecting the right metals for purchase, the woman was unable to redeem her daughter for two years. In some cases, people have to wait for years to be redeemed; the acquaintance’s daughter reported that many such people break down psychologically or become alcoholics or prostitutes.

**Case 13**

<table>
<thead>
<tr>
<th>Name:</th>
<th>Sarylbubu</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age:</td>
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<tr>
<td>Occupation:</td>
<td>Librarian</td>
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<tr>
<td>Location:</td>
<td>At Bashy Village, Naryn Region</td>
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<tr>
<td>Socioeconomic status:</td>
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</table>

One hundred friends are not better than one hundred rubles any more. There are no true friends any more. People only think of their own problems, because the problems are quite numerous.

—Sarylbubu

The life of Sarylbubu, a 47-year-old librarian living in the village of At Bashy, demonstrates the increasing exclusion of the rural poor from social networks, social services, and economic opportu-
nities in the present-day Kyrgyz Republic. Even when Sarylbubu has access to accurate information or useful contacts, she is unable to take advantage of these opportunities due to lack of time and money. Simultaneously, gift-giving obligations of traditional Kyrgyz culture place an enormous financial burden on Sarylbubu’s family. As a result, their relationships with kin have narrowed to a very small circle of relatives.

Sarylbubu is married with seven children, four of whom have left the house either to marry or work. She and her husband have some basic assets, including a cow, three sheep, a garden, and two hectares of land. Sarylbubu has a college education and works as a librarian in the town, where she receives information on government policies regarding pension payments, social benefits, and so forth. She considers it her obligation to inform other members of her community about these policies. When she recently learned of a program for small business loans, Sarylbubu prepared the paperwork for a loan to cover the cost of purchasing calves that she intended to raise and sell as grown cows. However, because she had no valuable collateral like a good house or car, she did not receive the loan.

Sarylbubu’s husband is a blacksmith whose profession has fallen on hard times in the post-Soviet era. Iron is in short supply, orders are small, and he is unable to earn much. The couple’s primary networks are those of her husband’s family and his classmates from school who live in the same village. “We have been in touch with our friends (my husband’s former classmates) for many years now. They are the same age as ourselves and the best thing is that we are of the same material status. That is why we stay in touch and have reunions for big events, such as weddings and funerals.”

During the Soviet period, Sarylbubu had a much wider kinship network that included her own siblings and other relatives. Although she attempts to stay in touch with all her relatives as much as she can, poverty prevents her from being able to visit relatives. For example, she has not seen one sister for two years, she was unable to visit her brother recently when his wife had a child, and she has not seen a daughter in Bishkek for over a year. Sarylbubu is now unable to borrow much from either relatives or friends because, due to wage arrears, people no longer believe she will be able to repay her debts.

Nevertheless, Sarylbubu values family networks as the most important because, in her words, “Relatives must share bread.” Such kinship networks are essential to families in order to stage such life-cycle ceremonies as weddings and funerals. Sarylbubu belongs to the kinship network of her husband in the village. The network consists of 20 families that get together and contribute a horse or a cow for funerals, with four or five of the closest families expected to provide additional contributions such as sheep for the meal or clothing for relatives of the deceased.

Sarylbubu’s family networks appear to be both a support and a burden because the requirements of traditional Kyrgyz culture—the need to purchase and exchange gifts—place a large financial burden on her resources. She is cognizant of these burdens and expresses dislike of certain customs. For example, she pointed out that after her daughter’s wedding (for which Sarylbubu’s mother provided the dowry), relatives of the husband’s family visited her and she was obligated to give valuable gifts to 19 people. She would have preferred to give such gifts to the young couple themselves.

Poverty and the geographic location of her village have put higher education, medical treatment, and even profitable trade (for example, of farm produce) out of the reach of Sarylbubu and her family. Lack of money means that even influential connections such as her family’s friendship with the head of the local Agribusiness Service cannot be used to advantage because Sarylbubu is unable to bring appropriate gifts to this contact.

Sarylbubu wants to see all of her children educated, but has no means or connections to gain access for them to institutions of higher learning. When Sarylbubu’s daughter graduated from a teaching institute the previous year, Sarylbubu was forced to borrow money (200 som) from a local moneylender to celebrate the graduation and provide money and presents to her daughter’s teachers. Sarylbubu hoped that such presents would induce the teachers to assist her daughter in finding a job. Such help was not forthcoming and, a year later, Sarylbubu was still repaying the loan.
Total repayment would amount to 700 som due to the 35 percent monthly interest rate! Despite her daughter’s academic talent, the girl was unable to enter medical school or even the local geology institute because her mother could not afford to pay the inevitable bribe for admissions.

Lack of financial means also bars Sarylbubu’s access to medical treatment. Although she needs an operation, she believes she will never be able to afford it. In addition to traveling to Bishkek, she would have to pay the doctor, as well as to slaughter a sheep so that relatives in Bishkek could cook for her during her hospital stay.

Poor residents of her village suffer large disadvantages when it comes to renting agricultural equipment and selling their produce. Equipment rentals are expensive and competition for their use is high; the poor cannot afford the bribes that would give them priority and end up last in line for their use. As a result, they risk that a late harvest will be destroyed by snow. Even a successful harvest does not translate into financial gain because the villagers cannot afford to travel to sell their produce. Instead, they are forced to sell their produce at very low prices to those traders who come to their village.

Sarylbubu believes that relations among people have changed significantly since Soviet times, noting the increasing social isolation of the poor. In the past, people associated just for the pleasure of one another’s company; now even close relatives and friends do not visit each other. Bribery and use of blat is an everyday phenomenon except within close kinship networks. Sarylbubu pointed out that poverty, despair, and alcoholism were causing some families to fall into complete social isolation. Sarylbubu believes this phenomenon will increase in the future because the wealthy are getting richer while the poor are getting poorer, prompting many of the latter to drown their sorrows in alcohol.

**Case 14**

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<tr>
<th>Name:</th>
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<tr>
<td>Age:</td>
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<td>Socioeconomic status:</td>
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_It is better to have a few friends [than money], but they have to be reliable._

—Myrzabek

The life of Myrzabek, a 34-year-old taxi driver, illustrates the importance of family networks in allowing Kyrgyz to survive the collapse of Soviet institutions and move into new professions. Myrzabek is married with two sons, seven and three years of age. He completed a higher education at the Kyrgyz State Institute of Physical Education and worked as a children’s soccer coach for five years. When the economic situation worsened, he was forced to change jobs and now makes his living as a taxi driver. He also buys, refurbishes, and sells used cars, together with two close friends. His wife, a professional software programmer and accountant, works part-time at home for her former employer in an off-the-books arrangement. She is ashamed of the arrangement, which Myrzabek does not understand: “In her place, she should be proud of having a job.”

A close relative of Myrzabek’s emigrated to Germany in 1993 and now runs a profitable business there selling used cars. The help of this relative allowed Myrzabek to go to Germany twice, work off the books, buy used cars, and return to Kyrgyz Republic with the cars. In the first instance, he was forced to sell the car, which he had intended to use as a taxi, in order to repay the debt he incurred to go to Germany in the first place. With the money that remained, Myrzabek and a friend bought two used cars in Kyrgyz Republic, which they repaired and sold. They then went to Germany, worked for a month, and bought four cars. On their way home, two cars were lost to Polish
customs inspectors. A third car was sold at a discount to a friend in exchange for getting the fourth car through Kyrgyz customs without inordinate tariffs. The friend who arranged this transaction works with Myrzabek and another friend, running a taxi business with the two remaining cars. The three friends also invest in and sell used cars. Myrzabek feels these two friends are as close as relatives and they all recognize a reciprocal moral obligation to help one another’s families.

Myrzabek has access to three reliable networks: those comprised of relatives, friends, and neighbors. He also seeks occasional help from an extended network of professional acquaintances and contacts (ranging from directors of sports institutions to customs employees to government workers specializing in visas and travel permits). He consults the latter network when he needs to resolve operational problems with government institutions such as paying traffic fines and retrieving a confiscated license. Most of his reciprocal exchanges in these networks take the form of cash or in-kind services (in his case, free taxi rides). Wherever possible, Myrzabek prefers to pay debts in cash because, without a negotiated price, his experience is that repayment in services will exceed the original debt.

Myrzabek maintains contacts with all of his relatives, but is most closely associated with his wife’s sister’s family, who are neighbors. About six to seven families participate in a neighborhood network where Myrzabek lives, lending one another small sums of money and food over the short-term, and collecting small contributions (25 sum) for funerals and weddings. Although this assistance is not large, Myrzabek holds it in esteem. “This is what we consider helping each other, it is difficult to survive otherwise. For my father’s funeral, my neighbors collected money, I don’t remember exactly how much; what is more important, I needed it badly at that moment.”

Long working hours and low income prevent Myrzabek from participating too formally in kinship networks. However, he realizes the importance of family networks and is very astute in his cultivation of ties, knowing that you must maintain permanent ties with relatives if you want to request a favor from them. “If this relative is of a higher level of well-being, he may have a stereotype that all relatives are beggars. He may refuse to help you under different pretexts. In order to avoid this, you should visit him a number of times without asking him anything. Later, when he believes that he is not being asked for a favor, you can tell him your request. Then it will be difficult for him to refuse. After that, you shouldn’t forget about him and you should visit him from time to time even without a special purpose. It is also necessary to do him a favor in return when the opportunity offers itself.”

Myrzabek is equally astute about cultivating acquaintances that can enable him to circumvent expensive fines or lengthy procedural delays. He often pays courtesy visits to such people to inquire about their life and health and to offer them free rides. According to Myrzabek, in order to become part of a network, you must know what you want from it—for example, money, favor, advice, information. If he needs to make an acquaintance to resolve a problem, he generally asks a relative with extended contacts or an important position to make an introduction for him. Establishing such a contact without relatives of influence is possible, but requires paying both the person and an intermediary.

Myrzabek finds it difficult to improve his position despite his hard work and suffers from lack of money. Lately, it has become difficult to make ends meet and he often has to borrow money from friends, acquaintances, and relatives for food, spare parts, and gasoline for his taxi. Family obligations also place economic burdens on his family. When his father died, he was forced to use money borrowed from a commercial bank to help pay for the funeral. The loan was intended to finance another trip to Germany; even before he could use it, corruption within the bank required Myrzabek to pay off several people to have the loan converted into cash! In the end, he was forced to sell his wife’s apartment to repay the loan.

Myrzabek thinks that social networks have undergone serious changes. People have become more reserved and concerned with their own problems. Relatives help each other less and even good friends spend most of their time discussing business. Like other informants interviewed for this study, Myrzabek believed that money was now more important than blat. “We were taught
that money is not the main thing in life, but now it turns out that the one who has money and power is the most useful person. No one cares any more for experience and knowledge.”

**Case 15**

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<th>Name:</th>
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<tr>
<td>Age:</td>
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<td>Location:</td>
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<tr>
<td>Socioeconomic status:</td>
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</table>

Currently, money is more important than friends. The poor cannot maintain good relations with their friends and cannot have connections.

—Chalabai

The life of Chalabai, a 67-year-old married pensioner, reflects the acute social isolation of the very poor in the Kyrgyz Republic, who are increasingly frozen out of the cash economy, as well as social networks. Chalabai has been married for 42 years and has five children, all of whom are grown and living on their own. He and his wife are both pensioners and live in a house that Chalabai inherited from his father. They are raising the eldest children of two of their sons.

Chalabai and his wife are very poor and have limited educations. His wife finished high school, but Chalabai, who can read and write, did not complete elementary school. The couple’s only furniture is a bed and a stove and they own no livestock. They own only two hectares of land, which they cannot always cultivate due to the cost of seed and diesel fuel. Last year, they leased the land to an urban friend, who paid them with ten sacks of flour at harvest time.

Chalabai and his wife each receive a pension (350 som apiece), which is their sole income. The pensions are never paid on time, however, and are occasionally paid in flour, leaving them chronically short of cash. When he was interviewed, Chalabai owed someone 200 som, which he could not repay until he received his pension. Last year, he was forced to tear down his barn during the winter in order to heat his house. He does not know how he will survive the next winter without firewood.

Chalabai has two sons and three daughters. The daughters are all married and live far from their parents; they see one another only every two years. All are poor and none can afford to travel. His eldest son lives in the same village and has six children, one of whom lives with Chalabai. His second son lives in the town of Kant and often visits his father, who is also raising this son’s eldest child.

Chalabai and his wife participate only in very limited networks and have lost contact with friends. Due to lack of money and assets they maintain relations only with their sons, neighbors, and kin who live in the immediate vicinity. Chalabai’s neighbors are as poor as he. Within their circle, they exchange flour, salt, and valuable information with each other. A neighbor’s tip, for example, allowed Chalabai to apply to the post office and receive his delayed pension payment in flour, instead of waiting further for a cash payment. Formerly, the neighbors used to visit one another on holidays, but are now too poor to do so.

The couple participates in modest razba networks (20-som contribution) of immediate kin and neighbors, primarily to cover the cost of funerals. Chalabai believes it is particularly important to support kin in the event of death in the family. He and his wife are unable to sustain relations with a broader group of kin because they can neither afford to travel nor to exchange presents. For example, Chalabai has a brother in the town of Naryn whom he has not seen for a year.

Whereas life-cycle celebrations are traditionally very large in Kyrgyz culture, in Chalabai’s village only the closest kin and neighbors now attend weddings and funerals. In the case of funerals, people from a neighboring village will sometimes come on horseback with razba for the ceremony because the two villages were once united in the same collective farm.
Chalabai worked on a collective farm during the Soviet era, where he bred livestock, sowed wheat and grass, sheered sheep, and helped harvest the crops. Through blat, he arranged to have his eldest son work as a herder in the alpine pastures. This allowed the family to do many favors for relatives, who would leave their animals in the care of Chalabai’s son and return the favor with food. At that time, Chalabai was able to maintain relations with an extended kinship network.

Despite his experience with livestock, Chalabai was unable to maintain the herd of 60 sheep that he received as a result of privatization. The sheep represented Chalabai’s single income-generating asset at the start of the transition and their numbers rapidly fell: some died in the winter, others were sold to pay electricity bills, and a small number were butchered for food. Not a single sheep remains of the original herd.

When asked about blat, Chalabai said he does not use blat today, but that in Soviet times, he needed connections to resolve problems. For example, once a young man whose father was a high government official asked Chalabai’s son to let him sell his cow, together with his own cow, at a market in Bishkek. After the sale, the young man did not wish to give Chalabai’s son his share of the proceeds. The problem was eventually solved by a police officer whose livestock was herded by Chalabai’s son.

In the past, Chalabai went to prison for two years for having beaten his wife. For one year of his sentence, he ended up being the personal employee of a collective farm chairman in another region. He spent a year in this man’s house, herding his livestock, cleaning his yard, harvesting hay, and breeding cattle. According to Chalabai, similar arrangements now exist in families that engage a worker in return for food and shelter. Although no other examples exists in Ak Kiya, he was aware of a family in the town of Naryn who had such a worker.

Chalabai considers kinship relations to play an important role in the Kyrgyz Republic today, noting that belonging to a clan can be means to promotion. He told a story of the governor of Naryn Oblast who, prior to becoming governor, had successfully run for parliament with the help of a member of the Tynymseit clan. When the man became governor three years ago, he awarded several high official positions in his administration to members of the Tynymseit clan, some of whom had no previous experience in such jobs. According to Chalabai, the practice of awarding offices to kin relations is common in other regions as well.

Case 16

Name: Shaimbubu
Age: 50
Occupation: Paramedic
Location: Ak Kiya Village, Naryn Region
Socioeconomic status: Non-poor

Today you need a hundred friends and a hundred som or, better yet, a hundred friends with a hundred som each. Nowadays, we don’t have enough money for our everyday needs, much less for friends.

—Shaimbubu

The life of Shaimbubu, a 50-year-old married woman living in the village of Ak Kiya, illustrates the ways in which individuals of well-off rural families use their kinship networks to sustain and expand productive assets. Shaimbubu works as a paramedic in Ak Kiya; previously, she worked as a nurse in a clinic of Naryn. Her husband is a pensioner who formerly worked as a shepherder on a collective farm. The couple is considered wealthy in their village. They own livestock and a car, and are able to fund elaborate life-cycle events.

Both Shaimbubu and her husband were married previously. Shaimbubu has five children from her first marriage; her husband has seven children. They agreed to marry only after all of their chil-
Children consented to the marriage. The couple jointly raised the husband’s nephew until the boy’s untimely death in the eleventh grade. All their children are now adults and living on their own.

Shaimbubu’s husband received 30 sheep, two horses, and a cow as a result of the privatization of his collective farm. He has been able to care for the livestock properly and begin breeding sheep due to assistance from his adult children. The couple invests the proceeds from livestock breeding in land cultivation; they pursue both activities in order to better support their numerous children.

Shaimbubu participates in multiple networks of family, friends, and neighbors. She considers it very important to maintain good relations with her children and those of her husband. She appears very successful in this regard: not only do her stepchildren attend important life-cycle events of Shaimbubu and her husband, so do the in-laws of her stepchildren.

Shaimbubu’s relatives are well-off and powerful. Several of them live in Bishkek, as do several of her children and stepchildren. Owning a car allows Shaimbubu and her husband to visit both sets of relatives on a regular basis. The couple clearly own substantial assets and have the cash to participate in high-income social networks. Shaimbubu’s family, for example, participates in a sherine with four other families in which 1,000 som is collected. Shaimbubu also meets regularly with good friends, who often get together at holidays, slaughter a sheep, and organize meals for one another. (Although common in Soviet times, few Kyrgyz families today can afford to slaughter a sheep when simply hosting friends for a visit.)

In addition to these interactions, Shaimbubu participates in a chernaya kassa with six close women friends who get together to discuss “women’s topics,” give one another help and advice, and contribute to a fund given to each woman in turn. The friends generally use the money to buy luxuries for themselves, such as a gold ring, a carpet, or a good suit.

Although most of Shaimbubu’s friends are equally well-off, most of her neighbors are much poorer. She often lends neighbors food, matches, and money when they are in need. One neighbor, a divorced mother, borrowed 360 som from Shaimbubu for her son’s anemia treatments. The woman noted that in Soviet times, friends and family were more able to help one another without expecting anything in return. For example, in the past the neighbor was able to move to Bishkek and live with family friends without having to pay them anything. Now, she noted, villagers must butcher a sheep and bake bread if they visit town, otherwise they will not be received well.

Shaimbubu and her husband assist poorer family members and friends by giving them food and clothes. When they are low in cash, they provide razha contributions for family celebrations in kind—by donating a sheep, for example. Yet the couple has the resources to host elaborate celebrations. At her husband’s 60th birthday last year, the couple hosted 200 guests, for whom they butchered a horse and three sheep. When her husband’s nephew died, they slaughtered two horses and one sheep for the funeral ceremony. Typically, their neighbors help them at such events by helping to cook, host guests, do housework and/or care for children.

Shaimbubu believes that life is now very difficult for many people due to severe unemployment. She noted that neighbors try to help those whose situations are more difficult than their own and that relatives now traveled less to see one another due to the high cost of transportation. Her sister in Osh (in the south), for example, has been unable to visit her family in Ak Kiya for four years because she and her husband cannot afford the cost of the trip.

According to Shaimbubu, in Soviet times there was no bribery and everyone had a permanent job. Even if some people did accept bribes, they concealed the fact. Bribes were given only in extreme cases, for instance, in order to be recommended for a prestigious job. Shaimbubu believes that blat and bribery are currently very common and gave many examples of the practice. People with children in elementary school have to give presents to teachers all year long in order to assure that their children are treated well and receive due attention. Bribes or connections are needed to have someone hospitalized, in order to receive one’s pension at the post office, to be admitted to a college or university, and to have official documents issued.
Case 17

Name: Shaiyrcha
Age: 59 years
Occupation: Retired Collective Farm Worker
Location: Ak Kiya Village, Naryn Region
Socioeconomic status: Non-poor

Nowadays, everyone prefers to have a hundred som in hand (instead of a hundred friends), because those who have no money cannot have friends either.

—Shaiyrcha

Shaiyrcha, a 59-year-old married woman in Ak Kiya, is an exception to the rule in the transition era. Despite her lifelong connection to a nonproductive sector of the Soviet economy (agriculture), she has sustained a higher-than-average standard of living in post-Soviet times. Shaiyrcha and her husband are both pensioners who used to work on a collective farm, where her husband was an influential member and a truck driver for over 30 years.

Shaiyrcha and her husband have six children. Five are married and living on their own; the majority are in the capital city of Bishkek, providing a valuable urban component to their kinship networks. The youngest child, a boy, will graduate from high school this year. In Kyrgyz tradition, the couple is also raising the first child of their oldest son, who is in 10th grade. Shaiyrcha considers this child her daughter and is committed to making sure the girl obtains a university education and makes a good marriage.

The couple have substantial assets and are able to access quality medical care that most people cannot obtain in the Kyrgyz Republic. This indicates that they have access to networks of influential people. Shaiyrcha and her husband own a large house, two calves, a horse, as well as chickens and turkeys; they cultivate wheat and potatoes. The couple often receive their pensions in kind in oil, flour and, occasionally, diesel fuel. Recently, the couple sold their last cow to enable a son to purchase a 10-ton truck that was being privatized. Although they can now pay for their electricity bills in kind, Shaiyrcha prefers to pay in cash when possible.

Last year, Shaiyrcha had an operation to remove her gall bladder and, as a result of an abscess, spent almost a year recuperating in a clinic in Bishkek. The help of her son, daughters, and daughters-in-law was critical at this time. A great deal of money was spent on medicines, alcohol and gauze, as well as on an expensive “present” for the surgeon. As a result of this experience, Shaiyrcha came to understand that the poor cannot afford adequate medical treatment.

Shaiyrcha’s husband has been the respected leader of his kinship network since Soviet times. He is recognized by his family and neighbors as an honest, fair, and hardworking man. He was a well-respected member of his collective farm, where he won many awards and became known for being able to make deliveries to places without roads. He also became a district representative to a Communist Party Congress and was respected within district political circles.

During the Soviet era, the farm policy allowed him to keep two of every 100 sacks of whatever was transported on his truck, thus he regularly received such valuable goods as flour, wheat, and coal for free. In those days he shared these products with his relatives; oftentimes, he also gave rides to people who needed to go to the hospital.

According to Shaiyrcha, her husband’s honesty appears to have prevented him from taking full advantage of the privatization process. Evidently, he had wanted to purchase the truck that he had driven for many years, but assumed it would be too expensive. In the end, a village council representative took the truck and said it was confiscated by the government; he then purchased it himself for 800 som. Shaiyrcha’s husband said he would have bought the truck immediately had he known he could afford it! Today, he often gives neighbors advice about their cars, tells them where they can find spare parts, and even does vehicle repairs. In exchange, his neighbors give him grain and potatoes.

Shaiyrcha and her husband belong to several networks: the kinship network of the husband, the nuclear family network, and networks of friends and neighbors. The principal objects exchanged...
in these networks are grain, potatoes, and livestock. The couple also receives diesel fuel from a
daughter whose husband is a combine harvester operator; the fuel enables them to easily sow and
harvest their crops.

Shaiyrcha considers her children and her children’s in-laws to be her two most important net-
works. She and her husband also belong to a network of four very close families of her husband’s
kin; these four families, like certain families of their children’s in-laws, regularly get together to cel-
brate family events, including less important events such as birthdays. Shaiyrcha believes that the
four families of close relatives are obligated to help one another by hosting guests during important
celebrations, as well as by lending one another money, goods, and products when needed.

Within the larger kinship network, 13 families regularly contribute 50 som each to razha col-
lections for important events; the amount was raised from 20 to 50 som in the previous year.
During Soviet times, Shaiyrcha said the standard razha contribution was 10 rubles, a sum which
did not change for years.

Shaiyrcha and her neighbors often borrow money, bread, salt, and tea from one another, as
well as tools such as pitchforks, scythes, shovels, and even horses. In the past, such small favors
were very frequent; people frequently borrowed food from one another without returning it.
Today, if something is borrowed and not returned, the lender may come to the borrower and
demand that it be returned. Shaiyrcha believes that to participate in a network, people need to be
friendly, honest, able to help each other, and able to return favors. Failure to repay a favor, recipro-
cate a gift with a gift of equal value, or return something that has been borrowed can rupture rela-
tionships, even between siblings. Shaiyrcha has a wealthy brother, a widower, who lives nearby
with his daughter. Even though he is wealthy, Shaiyrcha believes he needs support because he is
alone, so she visits him frequently. When he was ill recently, she sent her son to tend his livestock
and harvest his crops, and also sent used clothes for her niece.

In Shaiyrcha’s opinion, people do not get together as frequently as they used to. She believes
that people’s circle of friends and acquaintances is becoming narrower and that this process is likely
to continue. “Nowadays,” she said, “we can’t afford to buy even basic things for ourselves, to say
nothing of inviting guests or giving something to others.”

Case 18

<table>
<thead>
<tr>
<th>Name</th>
<th>Amantur</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age</td>
<td>22</td>
</tr>
<tr>
<td>Occupation</td>
<td>Farm Trader</td>
</tr>
<tr>
<td>Location</td>
<td>Ak Kiya Village, Naryn Region</td>
</tr>
<tr>
<td>Socioeconomic status</td>
<td>Non-poor</td>
</tr>
</tbody>
</table>

Nowadays, people are only worried about their own problems and are more isolated.
Everybody is thinking about how to find enough food for the next day and how to
improve one’s financial situation.

—Amantur

The life of Amantur, a 22-year-old farmer/trader who lives in a rural village, illustrates the eco-
nomic advantages that accrue to families whose members have access to valuable social capital and
whose kinship networks span rural and urban areas. Amantur’s tightly knit nuclear family transmits
economic well-being to all members in this network by allowing each member to specialize in
activities where he/she has a comparative advantage. Each member of the rural-urban network is
successful in large part due to the support provided by the other members. High mobility also
characterizes the network: Amantur, his siblings, and his parents visit one another regularly.

As the youngest son in his family, Kyrgyz tradition requires Amantur to remain home and care
for his parents. He lives there with his parents, his wife of one year, and a niece. His four brothers
and two sisters are all married and live in different towns. All four brothers own and drive minivans
as their professions; two live in the town of Naryn, two in the capital city of Bishkek. One sister
lives in Bishkek and is married to a minivan driver; another sister lives in the village of Barskoon (in another region) and is married to a wealthy man.

Amantur owns two hectares of land on which he grows wheat and potatoes. His brothers purchase seeds and diesel fuel for him in urban areas and help him sow the wheat; they take part of the harvest for their own use and for sale in town. Amantur also cultivates two hectares of local government land with friends; they intend to start a village youth club on the land by using their profits to build sports facilities and purchase musical instruments.

Amantur’s parents own livestock because of the privatization of their collective farm. They were successful in caring for the livestock because of support from their sons, who were then trading in urban areas. In addition to his own stock, his father also cares for livestock owned by his sons who live in Naryn and Bishkek. The family is sufficiently prosperous to make donations for the poor at the local mosque and to host feasts for fellow villagers on Muslim holy days. They can also afford expensive gifts at traditional events. For example, when Amantur’s father and brother made their first visit to the family of Amantur’s wife following their marriage, they brought the family 3,000 som, a horse, and a sheep.

The relative prosperity of Amantur’s family can be traced to the social capital of his two oldest brothers, that is, their access to profitable sectors of the economy, goods and services available in urban areas, and information. The eldest son once worked in a motor depot and, as a result of privatization, became the owner of a minivan. When his new profession as minivan driver proved profitable, Amantur’s other three brothers became minivan drivers with his support.

Amantur’s second-eldest brother initiated a lucrative trade business in the early years of the current transition. Essentially a barter trade, Amantur’s brother sold clothes and products purchased in Naryn for wheat and potatoes grown by the villagers in Ak Kiya. He gave half of his profits to his parents and Amantur—the foundation of their current prosperity—then reinvested the rest in trade. This type of trade continues to be profitable; the brother, Amantur, and their mother are all now actively engaged in it. In addition to clothes, they sell sugar, salt, tea, oil, alcohol, spare parts for harvesters, detergent, soap, and diesel fuel for kerosene lamps. Most villagers pay in kind in livestock, wheat, and potatoes; occasionally they also work in the family’s garden and fields in exchange for food. Amantur’s brother also purchases sheepskins, cowhides, and wool from the villagers. His brothers also offer driving services for in-kind payments, making it possible for villagers without cash to pay for transportation to reach a family celebration in another region, for example.

Amantur participates in four networks: a kinship network, a neighbor network, a network of local classmates, and a network of friends in town. His immediate family is by far his most important network. In light of his youth and the fact that he lives in his father’s house, Amantur’s obligations to his kinship network (such as razba donations, responsibility for maintaining relationships with distant relatives, and so forth) are taken care of by his father. His network of village classmates participates in a razba for such life-cycle events as births, marriages, and funerals; the standard contribution is 20 som. Amantur’s network of friends in town participates in a similar razba, except the standard contribution is 100 som.

Amantur cultivates good relations with his relatives, his wife’s relatives, neighbors, and friends. He tries to participate in many networks because he knows one cannot survive on one’s own. Whenever he visits his brothers in Naryn or Bishkek, Amantur tries to visit as many relatives as he can, making it a point to share news of his family and gather their news to share with his parents. He believes participants in a network must be honest, reliable, and well connected. He realizes that the poor cannot afford to have large networks and notes that even his parents’ network of friends has shrunk considerably in recent years.

Amantur believes that there are many more barter transactions today than during Soviet times, particularly in rural areas, and that blat is more important than it was in the past. He himself was able to avoid military service because his brother bribed a doctor to issue a document for a kidney problem. Amantur does, in fact, have a kidney problem, but all documents proving his condition had been lost, making a bribe necessary to create a new document.


Better a Hundred Friends than a Hundred Rubles? is part of the World Bank Working Paper series. These papers are published to communicate the results of the Bank’s ongoing research and to stimulate public discussion.

This study of social networks in a post-socialist country is an important tool for bridging the policy gap between macro level economic strategies and micro-level interventions. The findings illustrate the notable impact of poverty on the form and function of informal social networks of the poor and non-poor in the Kyrgyz Republic. The polarization of social networks reflects the increasing socioeconomic stratification of the population. This paper notes that the size of networks and frequency of social encounters have significantly decreased among the poor, leading to greater economic, geographic, and social isolation. Simultaneously, the non-poor have become more reluctant to provide support to poor relatives. Money has become central to maintaining informal social networks, making it more difficult for the poor to remain part of them. Because the poor find it increasingly difficult to participate in ceremonial events, they are becoming gradually excluded from kinship and other important networks. By contrast, the non-poor are hosting ever more lavish social events as a way of diversifying their networks and expanding their access to a vast array of resources. Indigenous forms of cooperation such as mutual aid obligations and rotating savings clubs still operate. The requirement for cash contributions is making them inaccessible to the poorest, but they are useful mechanisms for advancement for the non-poor. Connections are still the primary currency for gaining access to public services, jobs, and higher education. The non-poor, however, are able to use cash to supplement or even substitute for connections. The poor are becoming increasingly indebted and forced into patron-client relationships with the non-poor.

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