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## Post-Soviet Garment Manufacturing in the Era of Global Competition

### *Between Precarity, Creative Work and Developmental Hopes*

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The Galaktika shopping centre was opened in the 2010s, quickly becoming the most remarkable yet controversial symbol of late capitalist modernity in Smolensk. Many city dwellers felt excited to find this huge, glittering, Western-style shopping centre in their provincial city. It accommodated shops selling popular Western brands of clothing, a supermarket, several cinema halls, amusements for children and a dozen restaurants. Middle-class urbanites felt relieved that they no longer had to commute to Moscow at weekends to shop. The new shopping area proved to be the most vibrant centre of leisure activity in the city, attracting crowds of visitors every day of the week. The open-air *Kolkhoz* market, located just a five-minute walk from Galaktika, has shrunk since the 1990s, but it has remained popular with the poorer segments of the local population and rural residents. The sharp contrast between the two shopping places – the dirty and insecure open-air market and the shiny surfaces of the shopping mall – convey an idea of the progress and modern development that the city has undergone in recent decades.

Yet the shopping centre proved controversial because it had been constructed within the walls of a former linen factory that had closed in the mid-2000s. In Soviet days, linen cultivation and textile manufacturing were among the major industries in the region. When, in the mid-2000s, the linen factory went bankrupt, the local press accused the top management of deliberately bankrupting the state-owned enterprise and draining away its capital into their own pockets.<sup>1</sup> The factory symbolized the heyday of Soviet industrialization, and its conversion into a shopping centre was met with indignation by many of those city dwellers who were in no rush to

erase memories of socialism and promises of modernity that were firmly associated with the Soviet project. In this sense, the linen factory epitomized a 'socialist gift of modernity', with its guarantee of employment, public healthcare and education for everyone (Ssorin-Chaikov 2013: 183). The dramatic story of the factory's bankruptcy and its subsequent rebuilding as a shopping centre reaffirmed the popular vision of post-socialism as a 'form of robbery of the public' and of forcibly 'taking away the gift of socialism' (ibid.: 179).

The rapid deindustrialization and demise of infrastructure that followed the collapse of state socialism in the 1990s has been amply studied (Bridger and Pine 1998; Humphrey 2002). Michael Burawoy (2001) famously called the resulting condition 'involutionary degradation' or 'transition without transformation', accentuating its non-modern and 'backward' tendencies. Over the 2000s, the state attempted to increase its presence in industry and to reclaim its active role in modernity and infrastructural development by introducing a range of policies aimed at protecting Russia's industrial base. Import substitution was proclaimed as a new priority in the wake of the Crimean crisis in 2014 and the ensuing Western sanctions against Russia (Rutland 2016; Matveev 2019). Yet many political analysts call into question the long-term prospects of these new policy measures, given that they were influenced by apparent political concerns. Meanwhile, during my stay in Smolensk in 2015–16, talk about the 'revival' of linen cultivation repeatedly popped up in the media. It was reported that some big investors had already indicated their interest in linen manufacture in the region, yet the outcome was unclear.

This chapter focuses on garment production and looks at the ways in which one local petty producer in this Russian province has experienced the contradictory shifts and transformations outlined above. Under marketization, regional garment-manufacturing has undergone profound restructurings, but it has not been swept away in the same manner as linen production. All three of the city's garment-manufacturing giants of the Soviet era have managed to stay afloat in the market economy, but they have gone through significant downsizing and have had several changes of ownership. In the wake of post-Soviet market deregulation, a plethora of medium-sized and small-scale factories specializing in garment production have emerged. Being exposed to the pressures of global competition, a changing economic environment and a severe lack of capital, most regional petty producers have not proved particularly viable on the local market and have turned to subcontracting for transnational or national companies.

Drawing on the ethnography of Alpha, a small garment manufacturer, I aim to understand what motivates local petty producers to stay in the industry and respond to both local and global competitive pressures. In what

follows, I show how the owner of this failing garment enterprise evokes the ideals of Soviet modernity, with its promises of endless transformation and progress, as a way to respond to the stiff conditions of global competition that threaten to swallow petty local producers and turn them into subcontractors for bigger companies. Yet this pronounced commitment to socialist mores and norms is not necessarily antithetical to market values. Rather, I argue that memories of socialism are constantly being (re)-negotiated in relation to the principles of market value. While in some situations these memories and principles form a strong contrast and oppose each other (as with the ethics of disinterestedness that denies monetary value), in others they merge and mutually reinforce each other (as in the idea of creative work being translated into a flexible skill for wage-workers).

Given these ongoing interactions between different regimes of value in space and time, I conceptualize such exchanges as a type of relational 'politics of value' (Appadurai 1986). This cannot be reduced to any particular type of moral economy due to the dynamic and fluid character of moral claims made by actors, who easily cross the boundaries between different, contradictory logics of value. By looking at the history of Alpha, its organization of production and work life, I trace such ongoing negotiations of value within the specific contexts in which the actors – mainly the factory bosses; in this case, the owner and her daughter – make their moral claims and create value(s). The chapter shows how the creation of value routinely occurs at the intersections of power, labour and meanings of personhood. The notion of creativity plays a key role in these processes, as it provides a common framework for factory owners to negotiate different understandings of work and labour both within and outside the context of industrial production. Hence, my take on moral economy in this chapter leads me to focus on the dynamics of the historical and contemporary registers of moral values that shape relations of work and production. By means of individual biographies of business owners and my ethnography of the firm as a workplace, I show how moral values may be invoked and transformed in the economic transition of a Russian city.

## **Soviet Developmental Hopes and Market Promises**

Lidia Alekseevna (59), a founder of Alpha,<sup>2</sup> is not a native of Smolensk. Born and raised in eastern Siberia, she ended up on the western edge of Russia due to labour migration in Soviet times. In an impressive series of relocations throughout the Soviet Union in the late 1970s, Lidia mainly followed her husband, who finally ended up in Smolensk. As an aircraft engineer, he was appointed to the position of constructor at the local aircraft

factory. Lidia, also an aircraft engineer, got a job with the same enterprise but in a different department. She describes her work in the industry as extremely boring and frustrating, since it lacked creativity, a concept she places at the heart of her narrative of work and self-fashioning. She says she could never stand 'routine duties' but always admired 'inventiveness' (*izobretatel'nost*) and 'innovations' (*novshestva*). Her engineering duties had nothing to do with the creation of new models but boiled down to tediously reworking drawings and fixing mistakes made by the other aircraft specialists. Since Lidia came to perceive her job as meaningless and repetitive, she quit.

After leaving the aircraft industry, Lidia was allocated to the local Palace of Culture and Technology, which was part of the social and cultural infrastructure of the city's garment factory. Due to her education and technical expertise, this former aircraft specialist was put in charge of propaganda, with responsibility for promoting technical knowledge among factory workers and improving or 'rationalizing' work processes.

Lidia entered the period of major restructuring of the Soviet economy in the mid-1980s as a deputy director of the garment factory. When the first laws permitting the setting up of commercial enterprises (cooperatives) were passed in 1987–88, together with a partner she decided to start a new firm on the factory's premises, taking over one of its sewing shops. In her account of the formative years of this new commercial enterprise, Lidia showcased her passion for innovation and creativity, despite having to cope with the rigidity and bureaucracy of the Soviet planned economy. First of all, the new cooperative started producing children's clothing out of the factory's waste, which was cost-free to the firm. At that time, the garment factory was littered with by-products, including large amounts of defective fabric, but after a while the cooperative exhausted this free source. Lidia was also able to purchase fabric for her cooperative at low, state-regulated prices, thanks to her insider connections with factory management, but the shortage in materials was still high in the late 1980s.

Permanent shortages pushed Lidia to be more 'creative' in designing new clothing. For example, cotton was hard to obtain even with access to *blat*<sup>3</sup> connections, while the locally produced linen was still the most affordable type of fabric in the region. But unlike synthetic fabrics, linen garments easily creased and required more careful treatment in general. Lidia responded to this predicament by creating linen apparel that featured creases as a major element of their design. Similarly, she produced colourful garments if she could not obtain enough fabric of the same colour or tone. Lidia turned this practice of 'making do' into a key business strategy, which she called 'turning negatives into positives.' Rather than seeing external constraints as an obstacle, she preferred to stress their enabling

qualities, saying that this motivated her to look for creative solutions and introduce innovations.

For several years, the cooperative had been on a roll due to the expansion of its manufacturing capacity and its take-over of more sewing shops in the state-owned factory. Its output tapped into the huge demand for consumer goods in the former Soviet Union. However, growing disagreements and mutual suspicions between Lidia and her partner caused their separation in the early 1990s, leading to a severe property war between them, which was settled in court on terms advantageous to Lidia. With the capital she received as her share in the cooperative, Lidia purchased a huge amount of fabric, once again relying on her privileged access to low, state-regulated prices. In 1992, after the major disagreements had been settled, Lidia started her own limited liability company, which she called Alpha.

It is well documented in scholarship on the transition in Russia that members of the party-state apparatus, the so-called *nomenklatura*, greatly benefited from initial attempts at economic reform that had started in the mid-1980s (Kryshnanovskaya and White 1996). The state elites were then allowed to engage in activities that were closed to others, such as obtaining soft loans, converting state assets into cash or engaging in property dealings. Lidia certainly belonged to this cohort of early Russian capitalists who profited from converting their privileges into private ownership. While her account is silent about the many ins and outs of her ‘adventurous’ experiences of early capital accumulation, it still hints at her privileged access to privatized state-owned property, probably purchased for just a nominal price, as was usually the case in that ‘golden age’ of Russian capitalism (*ibid.*: 719). Moreover, Lidia had secure access to advantageous prices fixed by the state that enabled her to amass a large inventory of fabrics and accessories. Last but not least, the new enterprise profited from its reliance on networks and connections that Lidia treated as a social asset inherited from the past.

However, this trajectory ‘from power to property’ does not seem to have shattered Lidia’s commitment to the moral ideals of the Soviet era. By evoking Soviet values, Lidia asserts her commitment to the goals of the Soviet modernization project and conceives her involvement in private business as being driven by the same hopes and aspirations of development (to build a ‘better future’) that underpinned the Soviet state-building project:

We were building communism. Everyone was building communism. Everyone believed in it, everyone believed in the better future. Where are we now? (laughs) I personally do everything for the better future to come, really (laughs).

Lidia says that even after switching to the private sector she remained a ‘state’ person and was reluctant to turn herself into a ‘private’ one. Under

capitalism, her 'state'-oriented commitments continued to dictate her hierarchy of social responsibilities, in which she gave high priority to the broader goals of state development, while social reproduction and household duties played an inferior role. Lidia's two children rarely saw her at home, and their encounters mainly took place on the factory premises (her daughter, now a manager at Alpha, calls herself 'a factory kid'). Lidia defends this set of priorities by mobilizing the communitarian ideals of Soviet modernity: 'You are alive as long as your society needs you.'

The body of literature on post-Soviet transformations reveals the remarkable revival of the party-state bureaucracy and propaganda workers in the post-reform years and their prominence in remaking Soviet forms in the new Russia (Luehrmann 2011; Rogers 2015). Just like the Soviet activists studied by Sonja Luehrmann, Lidia was inserted into Soviet educational networks that held out 'the promise of limitless transformations' (2011: 217). In her case, however, the focus on creativity and innovation speaks to the ongoing interactions of the transformative and developmental promises of Soviet secular science and education with the market's promises of endless growth and affluence. However, once it had become clear that the post-Soviet state was not going to keep its promises to modernize and provide security, Lidia mobilized her commitment to modernity as a way of constructing an imaginative distance from the market and its corrupted logic of value, which she dismissively called a 'bazaar'. In the next section, I show how the moral ideals of the socialist past fuelled the workings of this small enterprise by providing a symbolic resource that helped its owner to cope with the adversities of economic 'involution' in the 1990s and the subsequent spread of global commodity chains into the Russian hinterland in the 2010s.

## **Not Market but Bazaar**

When it was set up in 1992, Alpha faced taking off under the rather severe circumstances of abrupt economic liberalization, known as 'shock therapy'. Amidst galloping inflation, surplus value had rapidly vanished by the end of the production cycle, as the value of the final product was even lower than the costs of the raw materials involved in its production. What helped the firm mitigate the adverse consequences of hyperinflation was the large reserve of low-price fabrics that Lidia had hoarded. In the 1990s, economic players in Russia typically responded to inflation by engaging in barter transactions and offsetting trade, which led to the demonetization of the whole economy (Woodruff 1999). Alpha also took that path by exchanging its output for textiles at the same garment factory that had employed Lidia

in Soviet times, whose contacts and connections were crucial for the survival of the fledging firm.

Once the dust had settled by the mid-1990s, the firm was in a relatively stable market position. This was achieved primarily due to its contracts with national representatives of Western pharmaceutical companies, who ordered lab coats from Alpha. However, after its heyday in the early 2000s, the firm sank into crisis in 2008. Although this trajectory shadowed the global economic downturn, Alpha's slowdown was triggered by local conditions, especially changes to the national regulations for medical services. As the state attempted to do away with pharmaceutical companies that actively promoted their products among doctors and forced them to prescribe particular drugs, it outlawed any form of gift-giving between the two parties. For Alpha, this ban put an end to its lucrative collaboration with the Western drugs firms, as it had given lab coats to doctors in order to stimulate their loyalty to the brand. After losing two big clients, Alpha came close to shutting down. The only solution that allowed it to stay afloat was to switch to subcontracting and to assemble clothes for transnational firms looking for cheap labour in provincial cities. The switch from own production to subcontracting was intended to be an emergency measure while the firm waited out the crisis, but as time passed it became clearer that subcontracting was the only viable option if this small apparel firm was to survive the growing global competition and the new economic crunch.

There were, however, some attempts to end subcontracting and dependence on bigger firms. Just before the economic crisis exploded at the end of 2015, Lidia set up a knitting workshop and hired four additional workers specializing in knitting operations. With this new unit, which she called an 'experimental shop', she planned to start producing school uniforms. However, when in 2015 the rouble lost almost half its value against the dollar and the cost of imported materials increased dramatically, it was decided to suspend the project. At the same time, Lidia set up a retail shop selling the lab coats and other uniforms that the firm occasionally produced for its local clients. Producing uniforms seemed to be the only viable option for the firm, given that the local market had been flooded with cheap clothing imported from China. For Lidia, shopping was always a painful activity, as she was constantly reminded of global competition. One day she spotted a nicely decorated nightdress made in China on sale for only two hundred roubles, equivalent to three euros. Shocked at how low the price was, she immediately calculated that to produce the same item at her firm would cost her a minimum of six hundred roubles or approximately eight euros.

Global competition was aggravated by the decline in the rouble's value in 2015, and since then the prices of imported textiles have increased significantly while the purchasing power of local customers has declined. To

make uniforms, Alpha used fabrics imported from Turkey and Malaysia. Accordingly, fluctuations in national currencies immediately affected local garment producers. Attempts to engage with public procurement by submitting a bid proved pointless for a small firm that could not compete with big producers offering the lowest prices and thus winning the contracts.

In the wake of the 2015 crisis, there was a lot of uncertainty about the company's future. Lidia oscillated between showing discontent with the market and flagellating herself for being too 'lazy' to come up with a solution to escape her dependence on subcontracting. While she did not give up hope of overcoming the global competition by means of her creativity and knowledge, her criticism of the market prevailed. I will illustrate this moral critique, which revealed disenchantment with the market and its value regime. According to Lidia, the market in Russia has never functioned the way it was designed to do by the architects of the market transition. Instead, Russia has adopted the worst version of the market, one that Lidia dismissively called a 'bazaar', thus communicating the sense of disarray and 'backwardness' that distinguished the Russian economy from the Western economy – that is, from modern and civilized forms of market exchange.

With regard to the garment sector, the bazaar stands for poor quality goods and bad taste, but it is easily scaled up and coagulated into a regime of value, in which considerations of taste, culture and morality no longer play a significant role. The predicaments Alpha faced illustrate how the logic of the bazaar economy inevitably clashed with Alpha's owner's hierarchy of values and imparted disarray. The high quality of Alpha's wares, supposedly its main competitive advantage, paradoxically turned it into a source of weakness that hindered the company's growth, since there was no need for its customers to purchase new garments as often as they would have to purchase poor quality imported goods. As Lidia's daughter, a manager at Alpha, proudly reported, the average life cycle of their lab coats was about ten years. In light of the high turnover in fashion trends and the mediocre quality of Chinese merchandise, Alpha just could not comply with the imperatives of fast fashion and the flexible mass production of low-cost commodities: 'We make clothing of such high quality that people do not need to exchange it a hundred times. This is our main weakness.'

For her part, Lidia represented her way of doing business as a form of resistance to the corrupted logic of global capitalism that she described as a bazaar economy. She could purchase cheaper fabrics from Chinese suppliers and thus reduce the costs of her final product, but she would rather not do so because she 'respected' her clients. She recalled one of her wealthy Moscow customers, who had placed a lucrative order that Lidia rejected, since she considered his design to be in poor taste and decided not to risk

her reputation by manufacturing such ‘crap’. When diplomatic relations between Russia and Turkey turned sour in 2014, some customers started blaming Lidia for using Turkish fabrics in her production, which they equated with a lack of patriotism. To her, all this proved just one thing – that the vast majority of consumers ‘had been raised the wrong way’, since they could not see the ‘deeper essences’ of things. As a result, many people were easily seduced by appearances, whether brand names, fashion styles or superficial displays of patriotism.

This sort of criticism clearly echoes Soviet norms of consumption, with their imperatives of good taste and being cultured (Chernyshova 2013), but in a broader sense it evokes the ‘language of depth’ (Rogers 2015), as manifested, for instance, in the discourse of the Russian soul (Pesmen 2000). Many analyses of post-socialism demonstrate that the search for the deeper essence of things and the denunciation of material concerns as shallow and superficial have been precipitated by the market reforms. These have helped many Russians make sense of the growing deprivation, collapsed economic stability and loss of income that have occurred in the wake of economic liberalization (Lemon 1998; Ries 2002; Patico 2008).

In the case of Alpha, the language of depth served to convey Lidia’s immediate concerns about growing global competition, which threatened to drive local producers out of the market. We may expect such moral criticism to raise the question of the state’s responsibility to protect small entrepreneurs from the encroachments of global capital. Yet the role of the state was insignificant and mainly missing from my conversations with Lidia and her daughter. For both of them, the state and its ruling cliques were represented as being so busy with the scramble for resources and asset-stripping that it would have been naïve to expect them to serve public interests. Feeling that she had been abandoned by the state, Lidia regarded her resistance to the abstract forces of global capitalism as a matter of individual responsibility and as an inextricable moral choice. Moreover, she saw her involvement in the garment industry as a form of self-sacrifice inasmuch as small-scale manufacturing did not guarantee secure profits and seemed to have no future.

As in many other global contexts of capitalist expansion, the workforce paid the greater price when Alpha switched to subcontracting and entered transnational chains of commodity production. Since the transition, a dozen machine operators have started to assemble clothes that proudly state ‘Designed in Paris’ on their labels, and the cost of their operations fell significantly given that subcontracting services were poorly paid. Lidia told herself and her workers that this was just a temporary arrangement and that she hoped to make the business thrive again. In the next section, I show how the retreat to the sphere of art and craftwork as a space free from

market constraints and uncertainties was a response to stiffening global conditions and enabled Lidia and her daughter to enjoy a level of job satisfaction that flew in the face of the precarious present and uncertain future.

## The Space of Creative Work: Market Value Suspended

One winter day the three of us – Lidia, her daughter Alina (29) and I – got together in the tiny office with the ‘Director’ sign on the door. The factory occupied the ground floor in a block of flats located in a residential area that had been built in Soviet times to accommodate the workforce from the adjacent industrial enterprises. It was rather chilly inside, since the central heating barely functioned. Lidia offered us all a shot of cognac to warm ourselves up a bit and dispel any sad feelings provoked by the ongoing conversation. At that point, Alina and Lidia shared their anxieties with me about current developments in politics and economic life in Russia, which they both saw in terms of involution and degradation. But while Alina was very active in expressing her moral criticisms of the lack of modernizing efforts in the country, her mother kept remarkably silent, although occasionally she nodded and grinned. Then Lidia intervened and explained her moral position on this matter. She said that ignoring ‘bad things’ was her ultimate rule in life. She had developed the ability to make things she did not like invisible and could thus afford to save her time and energy and reinvest them in doing things she liked:

I do not notice bad things just because I do not want to notice them . . . , because if I notice them, I won’t feel like doing something good, something beautiful. So, I prefer not to notice. I see things through rose-tinted spectacles (laughs). I put them on and go ahead. I turn on music really loud [in the car] and give it some gas. Otherwise, it is so difficult to live in our country (laughs).

I see striking similarities between Lidia’s position and that described by Yurchak (2006) with regard to the style of living in late socialism, which he calls ‘being *vnye*’ or outside. According to Yurchak, living *vnye* is better described as ‘being simultaneously inside and outside of some context – such as being within a context while remaining oblivious of it, imagining yourself elsewhere, or being inside your own mind. It may also mean being simultaneously a part of the system and yet not following certain of its parameters’ (ibid.: 128). Yurchak argues that the principle of ‘being *vnye*’ should not be equated with ‘a form of opposition to the system’, since it represents ‘a central and widespread principle of living in that system’ (ibid.). While some virtuosi mastered living a life of oblivion to an extreme extent, the majority of Soviet people, including Party and Komsomol leaders, os-

cillated between being uninterested in the Soviet system and drawing on the possibilities it offered. In this way, 'being *vnye*' did not contradict being a good Soviet citizen.

In Lidia's case, this familiar way of 'suspending' a context while still participating in it has survived and retained its relevance since the normative discourse of the Soviet era lost its authority. In the period of the market, she has successfully recycled 'being *vnye*' as a crucial skill with which to manage the insecurities of the market economy. That is not to say that she completely avoids being critical and expressing her discontent but that she has the capacity to dissociate herself from such constraints and to find satisfaction in realms she has carved out for herself as spaces of freedom and authenticity. Her business strategy ('turn negatives into positives') stems from the same principle of not noticing 'bad things'. I also suggest that the Western idea of 'positive thinking' that is successfully winning over the hearts of so many Russians has local cultural equivalents that are rooted in the Soviet practice of constructing imaginative distances from 'bad things' – that is, externally imposed and inevitable things. This is akin to the Weberian life-order that seems to last 'forever', just as the collapse of socialism seemed unimaginable to its citizens. In the post-Soviet epoch, the 'iron cage' of the market came to represent a new set of constraints that everyone had to deal with. Whereas post-Soviet actors admittedly developed different responses to market pressures, here I will elucidate one specific reaction that refers to the peculiar Soviet practice of being simultaneously inside and outside any particular context.

As shown above, running a small factory in a period of global competition and lacking state protection was never an easy task for Lidia. In times of crisis, there was always the prospect of having to close down, but Lidia persistently shrugged it off by looking for ways and resources to stay afloat. In severe cases – when, for example, her Moscow clients delayed payments for several months and her machine operators were ready to go on strike – Lidia fell back on her family budget. She asked her husband to lend her money from the savings he had made from his wages at the aircraft plant (military-related industry has been on the rise since the 2000s). In such situations, the garment firm turned into a liability for the family budget rather than being an asset. I outlined above the role of moral values in motivating Lidia to run the firm and resist deindustrialization. In this section, I want to draw attention to yet another side of this situation that feeds Lidia's motivation to stay in the game, namely the factory as a place of creative work.

Earlier, I pointed out the central role of creativity as a constitutive element of Lidia's work biography. Framed in the typical vocabulary of the Soviet technical intelligentsia as a love of innovation and invention, this aspect links the different stages of her career and instills a sense of conti-

nity in the flipping of her work trajectory between labour and capital. In what follows, I will show how the ideology of creative work has affected the organization of factory work.

Given that the factory acts as a subcontractor for others and does not manufacture its own garments, the passion for creative work has been channelled in another direction. While industrial garment production was relegated to 'routine duties' and ultimately did not provide any work satisfaction, the field of creativity had its own spatiality: within the factory it was confined to the workings of the 'experimental' workshop but spilled over the factory walls in the form of active participation in fashion and trade shows. The experimental unit was set up just before the rouble crashed in 2015 with the aim of producing knitted school uniforms. After the uniforms project had been put off until a better day, the unit continued to operate. The knitting team was mainly involved in making evening dresses for individual customers, usually well-off friends of the owner, craftwork (making accessories, home decorations and souvenirs) and producing complicated, hand-stitched apparel for fashion shows. The shows absorbed a lot of attention and work on the part of the owner and her daughter. As a rule, several months before a show started, the two women, accompanied by a designer from the 'experimental' team, immersed themselves in the preparations, discussing the items they would be presenting, creating new collections, selecting the music, contacting modelling agencies, etc. By participating in trade shows, which usually take place in the larger Russian cities, the company was attempting to sell its output, which was designed specifically for this sort of event.

However, while the preparations for the trade shows brought Lidia and her daughter a great deal of satisfaction, they did not themselves produce earnings. Their extravagantly costly dresses were rarely sold at fashion shows and trade fairs. Of the variety of such events, Lidia could recall only one held in St Petersburg where they had successfully sold a wedding dress to a Swedish customer for 350 euros. Upon returning from a trade show in Kazan in 2016, Alina admitted that they had brought back almost the whole batch of products they had offered for sale. The market has fallen, and people do not have money: that was the usual explanation for sluggish sales. It also transpired that the 'experimental' unit, which served occasional individual customers but mainly assisted in preparing for new fashion shows, was incurring losses covered by the income earned by the industrial workshop.

Lidia explained why she was so eager to invest so much time, energy and money in fashion shows, despite the low prospect of a monetary return: "The thing is that all this routine work . . . I do not like it . . . this [industrial] workshop . . . it is routine. And sometimes I want, so to say, to distract

myself? I argue that such occasional retreats from industrial production into the realm of creative work enabled Lidia and her daughter to carve out spaces where they could realize their creative selves and acquire a sense of agency in their work against a backdrop that placed substantial limits on it. This realm of creativity ultimately existed outside market rationality and its regime of value. Or, to be more precise, through their creative work, both mother and daughter strove to suspend market imperatives by rendering them invisible for a while. Creative work did not generate a profit as such, and from the market perspective it was considered a liability, but precisely as a result it allowed them to enjoy an alternative regime of value in which considerations of taste and job satisfaction came to the fore. The extent to which the realm of creative work turned out to be detached from any market value was made evident by the sarcastic remarks that one technical designer continually made about the 'experimental' unit's output. Based on her experience of working in big garment factories, she saw the extravagant dresses that Alina produced as being hopelessly outdated, stuck in the fashions of the 1990s and merely unprofessional ('*domoroshchennyi* design', as she put it dismissively). On several occasions, she advised Alina to check out the nearest shopping mall and alter the design of what she was producing to suit what was currently in demand on the market. Alina just made fun of such comments and shrugged them off. After all, she could afford the luxury of not paying attention to crazy changes in fashion design and could rely exclusively on her own aesthetic values and considerations of taste.

However, in being detached from market value spatially, temporally and aesthetically, creative work was simultaneously deeply interwoven into the realm of the market. The market was an ever-present reality in the conversation of Lidia and her daughter, but its criteria were constantly changing, oscillating between the oblivion of market value and its mobilization. When asked about their involvement in fashion and trade shows, both mother and daughter pointed to their material interest and considerations of profit, as they expected their output to be sold entirely during such events. But even though the trade shows provided a place for market exchange, both women were perfectly aware of their low chances of generating a profit. The costs were high: not only did they have to pay travel expenses, they also had to rent a pitch in the market, which was quite expensive for a small business. For Alpha's owners, the opportunity to present their local brand at trade fairs and fashion shows to a wider audience of visitors, who were not necessarily prospective customers, proved to be no less important than the phantom possibilities of market exchange. Given this tension between the high symbolic value of the shows and their low returns, the profit-seeking motive could be seen as a legitimizing exercise that justified material investments in trade shows and fairs that would have otherwise been

seen as wasteful and extravagant in the face of increasing local and global economic constraints.

Yet, despite these little tricks, which allowed the firm's managers to unleash their creative selves and distance themselves from the pervasive patterns of the bazaar economy, in the end it was local and global market forces that dictated the realm of possibilities and put a limit on this fragile space of creativity. Since the possibilities for creative work were predicated upon surplus value generated by industrial production, such work was inevitably paid for out of the labour of the firm's industrial workers. For them, creativity meant something different, being reformulated by the firm's management in terms of flexible skill. Moreover, in a peculiar way, the kind of distraction from 'routine duties' that Lidia and her daughter sought in craft-like work reinforced flexible forms of exploitation.

### **Creativity for Workers: Flexible Skills and Arbitrary Control**

Much like her mother, Alina admired creative work, but her take on creativity had additional layers that led her to understand it in the context of managerial control. For her, creative attitudes to a job implied the flexibilization of skills and the ability to perform multiple tasks. Alina saw herself as a perfect example of the embodiment of this principle: from a young age, she had performed a variety of tasks in the family business, working as a night watchman, a packer, a bookkeeper, a cutter and a manager. In her official capacity as deputy director, she coordinated the overall work processes at the factory, but in case of need she could replace any skilled worker. She did not reflect upon her intermediate position between capital and labour, an ambiguity that provided her with moral arguments to demand the same flexibility from the workers. For Alina herself, this flexibility made some of her work beneficial, since she could switch back and forth between different tasks and avoid tedium: as soon as she got bored with the task in hand, she just dropped it and turned to something else, like chatting with other workers or making phone calls. That sort of flexibility was an enjoyable part of her job, but hardly affordable for the rest of the workforce.

Given labour turnover and unexpected sick leave, it was crucial for a small enterprise to ensure a smooth workflow in order to meet deadlines and deliver output to clients on time. Alina claimed she could easily replace any other skilled worker. Indeed, when the firm was looking for a new cutter to work on individual tailoring orders, Alina took on this job for a couple of months while the position was vacant. Any time a new candidate showed up at the factory and Alina introduced her to a job, she stressed the creative aspect of the worker's cutting responsibilities. By evoking creativ-

ity, she aimed to spark an interest in the candidate, hoping to see ‘a gleam in her eyes’ in return. However, for Alina ‘creativity’ was also a euphemism for a variety of skills involved in the work process, as well as a flexible schedule and the need to work longer hours to meet a deadline without extra pay.

But, however hard the management tried to disguise the precarious working conditions or compensate for them with the allure of creativity, it never worked well. The employees at the factory were not really convinced of Alina’s ability to perform multiple tasks. Instead, they witnessed her lousy work discipline and began to question her authority. What Alina regarded as a manifestation of her creative self was actually evidence of her lack of self-discipline and self-control in the eyes of her employees. Lacking these qualities, her managerial power and attempts to convince others to work more intensively were constantly questioned and ignored by the workers on the shop floor.

To persuade garment workers to work more intensively in order to meet a deadline was particularly hard in the workshop. What unified the workforce against the management’s attempts to increase productivity was the arbitrary nature of the control of labour in the factory, when, in the brief period before a deadline, the management raised the production norms. The closer the deadline, the more sharply the norms were raised. If a deadline was well ahead, the norms were not even an issue. Time-thrift became the main issue when a deadline was close, with new production norms announced every day. The norm could be set at thirty items per day and then be increased to fifty items a couple of days later. Workers resented the arbitrariness of such measures and demanded that the norms be based on careful calculations of the target time needed for each operation. They therefore appealed to Taylorist principles in order to protect themselves from the arbitrariness of the flexible labour regime. The workers also argued that the management was not taking into account the time they had to spend making a piece of fabric good when it had been cut badly. The workers were supposed to solve such dilemmas on the fly, and the managers took that for granted. Alina argued that making such repairs was the only creative task in a generally dull process of industrial production. In saying this, she complained that the operators lacked a creative attitude to work and performed their sewing tasks automatically, without making any intellectual effort. As for the owner, she had a very simple understanding of why the operators could not raise their productivity levels – they were simply lazy. On any day when the production norms had not been reached, which was usually the case, an ultimate despotic measure was brought to bear: Lidia herself showed up on the shop floor and started to shout at the workers in her deep, booming voice. Swearing at them and scolding them for being lazy, she argued that their poor discipline was the only reason for

their low wages and the delays in paying them. All in all, after tightening control, productivity usually increased, and the firm managed to ship the goods out on time. But then the same fluctuating regime of labour control, similar to the notorious patterns of Soviet-time ‘shock work’, were repeated when new orders came in.

## Conclusion

In this chapter, I have delved into the workings of a garment firm in order to show how small-scale entrepreneurs, acting as moral subjects, navigate the precarious landscape of the local political economy and make sense of the ongoing transformations. As I have demonstrated, the expectations of modernity and progress rooted in the Soviet modernization project continue to shape the imaginaries, desires and identities of local petty producers in today’s Russia. These ideals do not necessarily oppose or support the principles of capitalism and market value but interact with them in more dynamic and unpredictable ways. To grasp these dynamics and politics of value as they emerge in the different contexts of the firm was the main objective of this chapter. These dynamics shaped the way the moral dimension of economic action was articulated.

I opted not to see privatization solely as a process of former Soviet enterprises being grabbed by their cynical managers, as in one typical analysis of privatization in Russia. Instead, I have tried to reveal the parallels between the language of Soviet modernity and the promises of marketization. Such attitudes do not reflect the general pattern of privatization, but they do give us a more nuanced picture of processes of accumulation in Russia and the multiple moralities that different economic agents give voice to.

However, disenchantment with the forces of global capitalism and criticism of it are also present. It is the absence of the state and its modernizing efforts that shaped Lidia’s critical engagement with the market, which inevitably turns into a bazaar – that is, a regime of value lacking in culture, modernity and good taste – as long as the state retreats and allows market coordination to act on its own. Kruglova (2019) argues that the link between developmentalist modernization and the state, formed in Soviet days, has given rise to a peculiar ‘political ontology’ in post-socialism, where post-Soviet/Russian actors constantly negotiate the boundaries of the state’s responsibility and are willing to assume responsibility for maintaining social and material order in those realms where the state is absent. In this way, Lidia acts as a disciplined post-Soviet subject committed to modernity when encountering the lack of state interventions in and protection for national industry, especially in the small-scale sector, and responds

to this absence with self-responsibilization. Rather than questioning pre-suppositions about Russia's deindustrialization, she is willing to take on the role of the absent state in countering the non-modern forces of the bazaar economy. Moral values play an instrumental role in this process of stoical resistance, as they motivate Lidia in her attempts to keep her head above water, despite the firm's low level of profitability and its bleak prospects for any improvement in the future.

In practice, the desire to suspend market value and turn away from its constraints encourages a retreat to the sphere of creativity and craftwork as the only space in which authenticity and agency are possible. This is mainly achieved by focusing on the production of unique clothing items and demonstrating them to the wider public during fashion and trade shows. However, this search for creativity and job satisfaction outside the context of market value becomes possible at the expense of industrial labour, whose input is paradoxically relegated to the most 'dull' and uncreative tasks in industrial production. By performing such acts of devaluation with regard to industrial labour, it becomes easier for capital to justify strict discipline, its demands for flexibility and the introduction of arbitrary and despotic forms of control. At this point, the politics of value on the shop floor show a great deal of compliance with the logic of flexible mass production and thus facilitate rather than resist the forces of the global market. Ultimately, the case of Alpha serves as a good example of how resistance to and compliance with capitalism meet each other, being driven by similar sets of values and preoccupations rooted in the experience of socialism.

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1. Zhizn i smert lnokombinata. 27 March 2013. Retrieved 11 May 2018 from <http://www.rabochy-put.ru/society/42440-zhizn-i-smert-lnokombinata.html>.
2. All names used are pseudonyms.
3. *Blat* describes a variety of informal practices to obtain access to resources, rewards or privileges through personal connections and networks.

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