

# Informal Relationships and Modernization in transformation countries and beyond

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# How does modernization connect with informal relationships?

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- Modernization is strongly connected with a 'formality' incl. incremental rationalization as one of its major components
- Modernization is a principal tool for development incl. radical change in norms and institutions   
informality and anomie



# In the course of modernization informality drifts

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- ❑ Towards the family and friendships away from the public and business spheres
- ❑ Toward the close family from the extended family
- ❑ Towards instrumentally beneficial friendship relations from ascribed and traditional friendships
- ❑ Towards the commercial-instrumental from more varied kinds of informal relations within business.



# Three major tasks of the project

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- How modernization impacts primary relationships (family relationships and friendships)
- How modernization impacts business relations, i.e. how informality is ‘useful’ instrumentally in the formal sector
- Informality as obstacle and catalyzer of modernization



# Why informal relationships?

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- ❑ Neglect
- ❑ Only functional?
- ❑ They matter to us all!
- ❑ Happiness, health, and social integration
- ❑ They are directly linked to modernization, and in ambivalent ways



# Theoretical Framework: classics

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- ❑ Solidarity
- ❑ Instrumental Will
- ❑ Money and depersonalization
- ❑ Objectification, Fictitious Commodities
- ❑ Rationalization



# Theoretical Framework: contemporary

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- *The Civilizing Process*
- Colonization of the Lifeworld
- Individualization



# Modernization and primary relationships: three areas

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- **Anomie/Normlessness**
  - **Data: WVS? RLMS? (5 item indicator)**
- **Materialism and sociality**
  - **Data: WVS, RLMS?**
- **Trust: generalized, particularized, institutional**
  - **Data: WVS in CIS countries, RLMS**





# Hypotheses for primary relationship vs - 1

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- Anomie is greatest among those with high self-expression values because individualized persons are less controlled by social norms



# Hypotheses for primary relationships - 2

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- psychological materialism negatively correlates with pro-social values regarding primary relationships, but positively correlates with pro-social values regarding abstract others



## Hypotheses for primary relationships - 3

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- Trust in particularized others negatively correlates with stranger trust and with institutional trust (which positively correlate with one another) in transition countries because “intimate trust” and “stranger trust” are polarized in the transition environment. Anomie has stronger negative relationship with intimate trust than with abstract trust.



5-item, 4 pt, ordinal Anomie scale (strongly disagree to completely agree).

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Widely used.

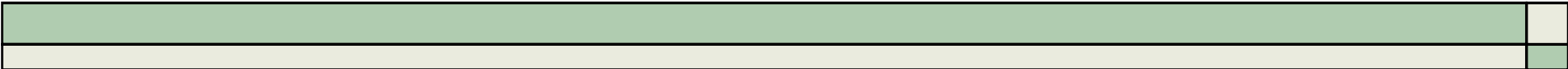
- a) powerlessness: (**“I cannot do much to change most of the difficulties we face today”**)
- b) estrangement from work: (**“I do not really enjoy my work”**)
- c) social isolation/estrangement (**“I often feel lonely”**)
- d) disorientation/normlessness: (**“Life has become so complicated that I almost cannot find my way”**)
- e) normlessness (**“In order to get ahead nowadays you are forced to do things that are not correct”**)



## Multidimensional Trust in CIS countries

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- Friends (g007\_17)
- People you know personally, people you met for first time (g007\_33, g007\_34)
- People in general (g007\_64)
- Relatives (g007\_65)



Self vs. other-centeredness (which was already asked in Russia)

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Revive from 1995 (v48) and 2000 (v38) wave?:

1. To build good human relationships, it is most important to try to understand others' preferences;

OR

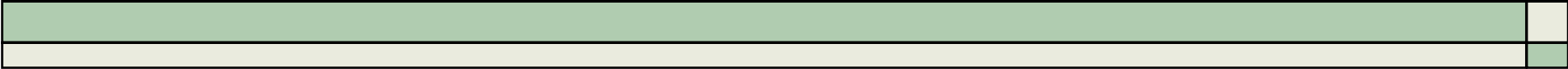
2. To build good relationships, it is most important to express one's own preferences clearly.



# Modernization and business relations: two main activities

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- Modernization values and shadow economy:
  - Two datasets, WVS and *Friedrich Schneider et al* on shadow economies in 162 countries since the beginning of 1990s
- Networks and “blat” in business and people-government relations: WVS in CIS; ESS; RLMS (new questions)



# Tasks for modernization and business relations

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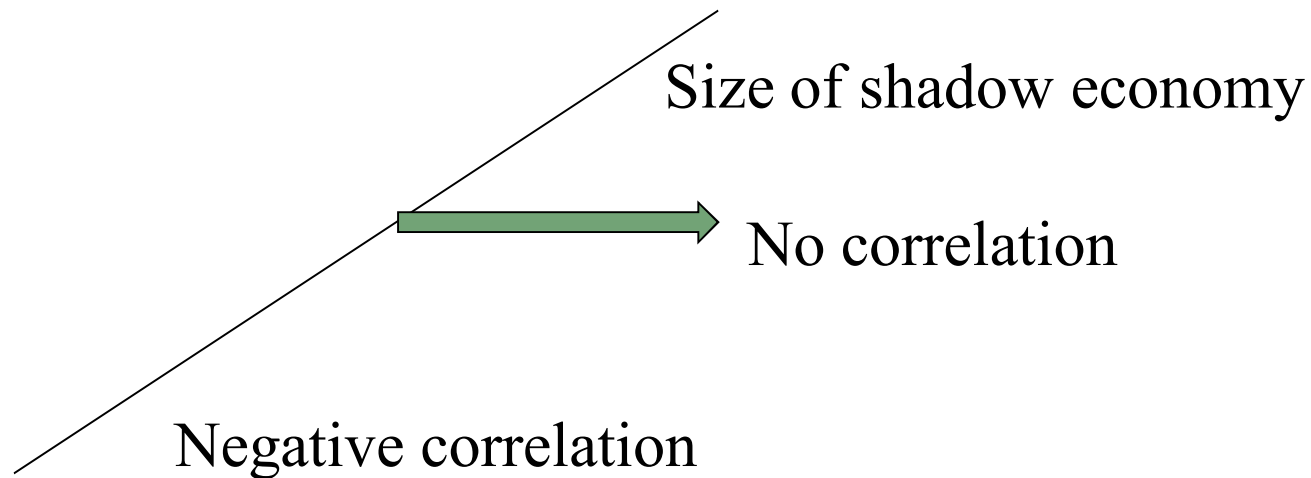
- ❑ Modernization values and shadow economy: analysis of cultural foundations of shadow economy and how it impacts on modernization values
- ❑ Networks and “blat” in business and people-government relations: outline of groups widely engaged in these informal practices and by means of which factors



# Hypotheses for modernization and business relations - 1

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- Size of shadow economy negatively correlates with modernization values until a certain level; then – no correlation





# Hypotheses for modernization and business relations - 2

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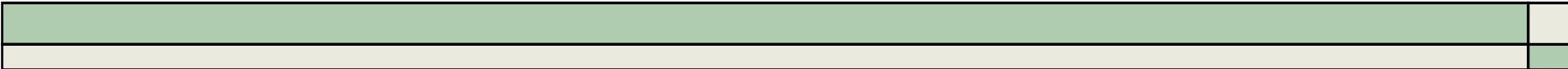
- Negative correlation of modernization values with network and blat relations in business and people-government relations for the highly educated and quasi-middle class groups; no correlation for others

**Do you use personal networks to solve problems in your daily activities? If you do, please, specify in what areas and how often.**

	Often	Sometimes	Rarely	Never
Education (including education for children)	1	2	3	4
Health care (to find good doctor)	1	2	3	4
To get housing services	1	2	3	4
To deal with social security system	1	2	3	4
To deal with law enforcement agencies	1	2	3	4
To get promoted at work	1	2	3	4
To find new job	1	2	3	4
Getting a permit from the authorities	1	2	3	4

**Are there any cases when you were forced to pay informally for goods and services which you should have gotten free of charge or to have some indulgences? If there are any cases, please specify, in what areas and how often.**

	Often	Sometimes	Rarely	Never
Education (including education for children)	1	2	3	4
Health care (to find good doctor)	1	2	3	4
To get housing services	1	2	3	4
To deal with social security system	1	2	3	4
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To get promoted at work	1	2	3	4
To find new job	1	2	3	4
Getting a permit from the authorities	1	2	3	4



How would you place your views on this scale? “1” means you agree completely with the statement on the left; “10” means you agree completely with the statement on the right; if your views fall somewhere in between, you can choose a number between 1 and 10.

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Using personal network is solving your own problems at the expense of the public

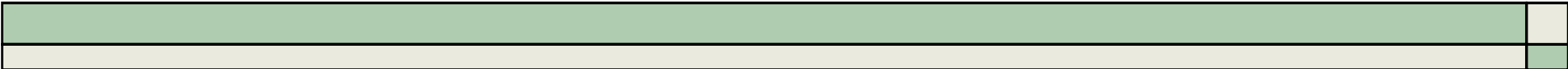
VS

Using personal networks to solve your problems harms no one

Making unofficial payments to public officials is corruption that harms the public interest

VS

Making unofficial payments to officials produces quick and flexible decision-making that helps society



In some places the police and other officials are ready to bend the rules so that people can solve a problem quickly if they have good connections. In other places, the rules are followed closely with few exceptions. Which kind of system do you prefer?

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A system where officials are ready to bend the rules

VS

A system where the rules are followed closely



What is the most important condition for building a career in your country today?

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- 1 To work hard
- 2 To be well trained
- 3 To have a good personality and outstanding abilities
- 4 To have personal connections with powerful people
- 5 To have relatives in high positions

And what is second most important?



## RLMS

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Questions to may be added.

- Inglehart post-materialism index: 4 item or 12 item.
- Multi-dimensional trust
- Leisure time (family and friends)
- 5-item Anomie Scale