

The eclecticism of this volume is illustrated by the study of changes in the modes of living in Hungary since communism. Agnes and Gabor Kapitany deftly stitch together theorising and empiricism. For example, the reader is introduced to a taxonomy of the symbolic meanings of objects, such as worldview and value system signs; identity signals; status symbols and symbols of an era (p. 63). Then they describe familiar (baseball caps) and newly fashionable symbolic representations of America ranging from US television show-hosting styles and news reporting to the American quick-to-build architectural style. Their inventory of Far Eastern effects in Hungary—supposedly as imposing as American—is telling: it extends from rattan furniture to Japanese gardens and acupuncture to *anime* movies. The core value of modernism, the authors assert, is continuous movement and acceleration, and Hungarian acceptance of it leads to an externally controlled environment (employing David Riesman's term) in which Europe is one of a number of principal agents.

Cultural transformations in the two Balkan EU member states are differently assayed. Daniela Koleva draws attention to the idealisation of the past prevalent in Bulgaria. Symbols of the socialist era still have political uses today and 'the "allergy" to socialism has turned into a nostalgia for it' (p. 159). In turn, approaches to Romania's past have differed. Examining school textbooks, Anamaria Dutceac Segesten notes that, up to 1998, 'an account of historical events such as the two world wars paints the Romanians in a passive light, at the mercy of generic Others or in the hands of History' (p. 237). With curricular revisions, history texts became Europeanised and encompassed topics such as national minorities and diversity. Still, the role of the Other is viewed sceptically and the myth of Romanian unity is persistent. It will take time 'before Romanian history textbooks abandon their focus on the nation in favor of a post-national, integrative perspective' (p. 246).

The study of Estonia also examines changes in school texts. Heiko Pääbo observes how an 'Estonians-as-victims' frame shaped an understanding of history from the thirteenth century through to the Soviet period. Only the significant Other changed: 'the post-Soviet master narrative has altered the roles, and Russians have replaced the Western nations as the brutal invader' (p. 271). Pascal Bonnard also focuses on schools to chart post-communist transformation in Latvia. He is sceptical that a proliferation of ethnic minority schools does anything more than support ethnic revival, through emphasis on traditions and folklore. Russian schools in Latvia, by contrast, emphasise literature and culture.

Finally, Jolanta Kuznecoviene challenges the salience of the civic-ethnic dichotomy in explaining Lithuanianness. Her findings from an attitudinal survey and interviews lend insights into contrasting conceptualisations of 'being Lithuanian' and 'becoming Lithuanian'. Particularly noteworthy is how an ethno-genealogical characterisation of Lithuanianness—its inherited inborn dimension—resounds among respondents.

This collection of case studies is uniformly informative, even-handed and consequential. The volume reads well and stimulates critical reflection on Central and East European cultural development.

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Martin Gilman, *No Precedent, No Plan: Inside Russia's 1998 Default*. Cambridge, MA & London: MIT Press, 2010, xxii + 332pp., £22.95 h/b.

GILMAN'S DETAILED AND TIMELY BOOK OFFERS A VALUABLE EXPLANATION of Russia's 1998 default and its recovery path. Written by the former representative of the International Monetary Fund (IMF) in Russia, the book includes first-hand information about the IMF's daunting task of transforming an inefficient command economy into a market economy through its conditionality policy. In a short time-span, Russia went from being a debtor to a creditor country in its so-called

'friendly divorce' from the IMF in 2000 (p. 96). The 1998 default represents the watershed moment in IMF–Russian relations and this book is a significant attempt to uncover the particular constellation of factors that resulted in the crisis. The question is intriguing enough, given the fact that the IMF assisted Russia in the years preceding the default.

Gilman's explanation of the 1998 financial crisis includes several political, economic and structural factors. The reader's attention is captured by the colourful descriptions of individual Russian and Western policy makers and later shifts to macroeconomic data and the broader picture of the emerging Russian financial market. Of course, for any policy maker, the major question is whether the crisis could have been avoided. The author argues that on the path leading to the default, there were several critical junctures at which wrong decisions were made. However, any explanation of the Russian default would probably be marked by a high degree of determinism, since certain structural issues were beyond the control of the political actors involved.

Firstly, Gilman points out that the power vacuum resulting from the collapse of the Soviet Union was the major obstacle to the successful implementation of the IMF-backed reform programmes. The state was too weak.

Secondly, the officials appointed in key positions were former *apparatchiki* and only a few of them were 'well-intended and competent individuals, albeit with complex motivations, like Gaidar and Anatoly Chubais' (p. 42). The old-school economists and *apparatchiki* were not ready to adjust to the new economic environment. Yuri Maslyukov, the last Soviet minister of the *Gosplan* and later minister of economy in the Primakov government, complained that, 'when he was in charge of *Gosplan*, he would push a button or make a call, and things would immediately happen. Afterward ... he gave orders, even pleaded, and no one listened' (p. 44). While the former bureaucrats were still adapting to the new environment, the reformist faction of the Russian political elite sought the financial help of new national entrepreneurs who, in exchange for political and financial support, appropriated important state assets. As Gilman notes, the IMF initially focused on economic indicators and underestimated the influence of the oligarchs. In spite of the IMF's easy access to all the officials in charge of economic policy, including the governor of the Central Bank, the minister of finance and the prime minister, the effectiveness of the IMF in Russia was marginal. In Gilman's view, the IMF dealt with a government lacking the capacity to implement reforms.

Two major structural factors beyond the control of the IMF and the Russian policy makers were declining commodity prices on world markets and the Asian crisis of 1997. The decline of commodity prices led to less revenue for the state, while the implications of the Asian crisis for Russia were simply not anticipated by policy makers in Moscow. So while pressures on the ruble formed, the Central Bank of Russia (CBR) managed to have the situation under control at the end of 1997, but paradoxically major political figures were still unaware of the risks ahead. As Gilman recounts, Chubais was so optimistic about the immediate success of the economic reforms that at the annual IMF meeting in 1997, he was boasting about Russia's 'friendly divorce' from the fund (p. 96).

The politicians' myopia was amplified by the lack of determination to pursue deeper economic reforms. The Russian economy had several problems that could have been addressed prior to the default: poor tax collection capacity (including exemptions for big businesses, the use of *krysha* and various non-monetary settlements), the opacity of governmental expenditure, the absence of a treasury system and the lack of financial market specialists. It is true that at times politicians attempted to address these problems, but as the short-lived experience of the Emergency Tax Collection Commission revealed, they lacked the political will to go after big businesses, most of which were major tax delinquents. Moreover, the timing of certain reforms, like the introduction of minimum capital requirements, the liberalisation of capital operations, the lifting of exchange controls combined with the lack of a systemic approach, might have influenced the speed of the crisis. Gilman says that the opening of the financial markets should have been accompanied by a low budget deficit, but in reality only

the first part was put into practice. Economic policy making was further hindered by the fierce opposition of an anti-reformist *Duma*, the constant health problems of President Yel'tsin, the frequent and erratic governmental reshuffles, the lack of reliable financial data and, after 1996, the increased influence of big businesses.

Even though the IMF put together a 'bolshoi package' and lent Russia \$22.6 billion in July 1998, that step calmed the markets only for a few days. The Russians were still hoping for a miracle from the West, thinking that the logic of being 'too big to fail' would prevail; those inflated expectations would not change despite intense communication between the IMF and Russian officials. With all these defects, it was no wonder that Russia's default on its short-term governmental bonds (GKO) on 17 August 1998 was not averted. The Russians had to choose between monetising the debt and forcing a restructuring of it. The solution of a controlled emission and the subsequent creation of a currency board was actively promoted by Fedorov (Director of the State Tax Service) but, unlike in the case of Bulgaria, it was considered unacceptable by Russian policy makers, whose memories of the hyperinflation of the early 1990s were still alive. They chose to restructure the debt and as Gilman notes 'it appeared as if policy was being conducted by rank amateurs' (p. 173).

The government adopted three emergency anti-crisis measures: a new ruble corridor, a moratorium on the repayment of the Russian banks' debts, and a GKO debt-restructuring scheme to be negotiated with creditors. Given that IMF officials were sceptical about the debt-restructuring scheme, the fund issued only a mild letter of support. In the aftermath of the default, capital flight was accentuated and investors were hesitant to come back, with one investment banker allegedly saying 'I'd rather eat nuclear waste than invest again in Russia' (p. 201). However, Western observers exaggerated the effects that the banking system crisis would have on the whole economy.

Gilman considers that Russia learned its lesson. In 2008, the Russian government was braced to confront the financial storm. It used resources from the oil stabilisation fund (which had been created in 2004), it had a low foreign debt level, it had no leadership problems, it enjoyed political stability, state employees were more experienced and the CBR oversaw a stepwise devaluation of the ruble thus allowing companies to pay their foreign debts. In contrast to Western Europe and the USA, Russia has emerged unscathed from the recent economic recession. At the end of the day, one is left wondering whether Russia's move towards a more authoritarian regime positively influenced its economic performance. This is a legitimate question, since the author is cautiously expressing optimism about Russia's economic future.

Even though, at certain points, those interested in Russia's sinuous economic transition might have the impression that the author tries to absolve the IMF of its sins, both critics and supporters of the IMF's role in Russia will find supporting evidence for their arguments and that is what makes this account even more valuable.

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Cameron Ross, *Local Politics and Democratization in Russia*. Abingdon & New York: Routledge, 2009, xiv + 270pp., £85.00 h/b, £24.95 p/b.

Cameron Ross & Adrian Campbell (eds), *Federalism and Local Politics in Russia*. BASEES/Routledge Series on Russian and East European Studies. Abingdon & New York: Routledge, 2009, xvi + 305pp., £90.00 h/b, £24.95 p/b.

IN *LOCAL POLITICS AND DEMOCRATIZATION IN RUSSIA*, Cameron Ross examines local self-government in the period from Gorbachev to Putin, with a special focus on developments since

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