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Preface

The present publication is the second volume, which continues the AFP Working Papers series launched in 2010-2011. It offers research papers by AFP Returning Scholars and non-AFP fellows, which they worked on during 2011-2012 academic year within the frame of Academic Fellowship Program. This volume is of work-in-progress character. It opens up an opportunity for a dialog with readers and elaboration of the texts by the authors.

The publication is not centered around a particular topic; it is rather open and intentionally not confined by specific analytical and conceptual frames. It aims to represent multidisciplinary, theoretical and methodological diversity, and reflect the transnational nature of AFP Scholars’ research projects.

A particular novelty of this volume is that it has extended its disciplinary and institutional boundaries and become open to all disciplines supported by AFP as well as to all fellows currently and formerly affiliated with the program.

I would like to thank all the contributors and peer-reviewers for making this volume happen. I am grateful to the following experts who have peer-reviewed manuscripts for the AFP Working Papers, Volume 2, 2011-2012: David Weberman, Michael Kennedy, Stephen Jones, Georgi Derluguian, Laura Lewis, Vitalie Popescu, Sergey Yakubovskiy, Viktor Shevchuk, Natalia Shlikhta, Danylo Sudyn, Laszlo Halpern, Shlomo Weber, Medet Tiulegenov and Mathijs Pelkmans. My special thanks also go to Byron T. Scott for his English-language editing of the volume.

Tetyana Bureychak,
Editor of AFP Working Papers
Europeanness as a Hybrid Identity: the Kosovo Case

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This paper examines the expansion of Europeanism\(^1\) as a factor that influences the creation of a hybrid identity rather than European identity among the members of Kosovo’s transitional society. The main question it concerns is the influence of politics and politics of recognition in (re)making identity. The paper (i) examines a relationship between the self-identity of Kosovo society members and their strong feeling of belonging to European identity, (ii) analyses the making of hybrid identity as a result of the European multiple presence and migration process in Kosovo local society and (iii) reflects on the positive and negative impacts of European political perspective in regard to the recognition of Kosovo European identity.

Introduction: three issues about identity

Identity, as one of the typical concepts of modern society, alongside the notions of globalization, multiculturalism, human rights, integration and democracy, has already surpassed the boundaries of a simple theoretical notion within the social sciences and humanities. Nowadays this notion reflects expressions, experiences, behaviors and beliefs as evidence for the qualities that characterize individuals, the similarities between them (“us”) and their specific characteristics in relation to others (“them”).

The answer to the question of the origins and meaning of identity has not yet found a theoretical consensus, whereas in practice, individual identity has always been subjected to compromises in relation to reality. Thus, there are authors (essentialists\(^2\)) who claim that identity is inherited, given, and unchangeable, whether ethnic, national, or cultural. However,

\(^1\) Although this term is occasionally used to describe support for European integration (and thus anti-Europeanism is, by extension, sometimes used to describe hostility to integration, even though the term euroscepticism is more appropriate), it is more commonly used in relation to the idea that Europeans have common norms and values that transcend national or state identity, that have been promoted most actively (if not always necessarily consciously) by the building of the European Union, and that can help us understand the way Europeans approach politics, economics and society, and that give Europeans a distinctive identity. Available at: http://encyclopedia.thefreedictionary.com/Europeanism

\(^2\) Essentialists claim that identity is natural, non-fluid, inborn. According the essentialists identity anticipates individual; it is an essence, which does not succumb to evolution. The identity is a Being, something that we already are and not something that we should become. Within the history of philosophy the more known representative of metaphysic essentialism was Aristotle. Essentialist theories of identity suggest that people have an invariant core of selfhood. Non-essentialist theories argue that identity changes in a way that depends on the social context.
most authors regard identities as created by the individuals themselves or/and by society, and not found as such. Among these, Charles Taylor emphasizes that identity is created by the individual himself in regard to the highest social values, primarily moral values, which require a general social consensus (see Multiculturalism: examining the politics of recognition, 1994).

The origins of identity and the question of its (non)fluidity lead discussion to the next postulate: first, do individuals have the right to belong to their self-created identities? Second, under what conditions is identity created and recreated and how does that vary? Third, under what conditions does identity change or resist changes. And how does that vary?

Starting from the 1990’s and continuing to the present the issue of identity (both individual and collective) has become a major theme and a final outcome of a prolonged transformation within the countries “in transition”\(^3\). The issue of identity is also one of the main challenges for countries in transition in their efforts to achieve a modern society (on the Western model).

**Identity as hybridity**

The concept of hybrid identity is not a new concept within social theory. It mainly refers to the post-colonial period. Anna Clarke states that:

*Hybridity as a critical concept has had a privileged place in postcolonial studies. This is because contact and intermixture between different cultural groups have often taken place in the historical context of colonization. Since colonial relationships were often relationships of power between what the colonizers saw as the privileged ‘enlightened’, ‘civilized’, ‘rational’ and ‘advanced’ colonizer and the subaltern ‘barbaric’, ‘superstitious’, ‘backward’ colonized, hybridity in such contexts has often taken on a politicized dimension. (Clarke, 2007: 132-141)\(^{138}\)*

Post-colonial discourse as a political project is aimed first to transform the ex-colonies into nation-states, and afterward to merge the nations, containing different social and cultural groups. Although there are variations, no post-colonial society has ever managed diversity easily or simply.

Today the unstoppable processes of migration (as a result of political crisis, economic status, social crisis, the quality of education and healthcare, etc.) and the development of communication tools based on new technologies, have affected the modern society not only by increasing information about cultural diversity, but also by mixing those cultures and thus extending cultural diversity.

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\(^{3}\) In the context of this paper the notion of “transition” pertains to the Second World countries, i.e. the countries that were formerly communist, the changes that these countries have gone through in their different social spheres (primarily political and economical) and their struggle to build a modern society based on a western model.
The process of globalization has strongly influenced the fluctuation of traditional values and those of national discourses. This clearly shows that no real distinction between the cultural and political aspects of hybrid identity can be made. Thus, hybridity, which primarily expresses racial and ethnic mixing, has in the meantime come to represent a cultural amalgam.

Since hybridity in modern societies has primarily resulted from economic interests, social stratification, social inequality as well as from different tendencies toward domination, among others, this implies the following: first, hybridity can be accomplished within a coherent society, and, second, hybridization’s effects could take place in any society: western-developed societies, former communist countries (country in transition), ex colonies etc.

In today’s society, migrations and principles of multi-culturalism are considered as the most relevant aspects of creation of hybrid identities within the dominant Western culture. This process is a common one. However, today the processes that follow the creation of hybrid identity additionally result from the expansion of Europeanization and western values across the countries in transition. This is due to the fact that hybrid identity is being established in non-western societies, as a consequence of Western influence and changes in the local culture.

At the individual level, the issue of hybrid identity brings with it two dilemmas: Does being a hybrid mean being part of two cultures, two identities? Or, does hybrid mean one is left in a mid-zone, without belonging to either of the two sides? “Our identity is at once plural and partial. Sometimes we feel that we straddle two cultures; at other times, that we fall between two stools” (Rushdie, 1991: 15).

But the phenomenon of hybrid identity can be viewed differently. The notion “hybrid” is usually seen in biological discourse as an offspring of two different races. But the concept of “hybrid” in terms of culture is more problematic. This is because of different definitions of culture. Thinking about hybrid identity, as a product of both levels, biological level (usually refer to ethnicity and race), and cultural level, with full complexity of the notion, there are several layers of hybridity. This is why we can always ask ourselves: are we all hybrids?

In the context of hybridity, identity is usually perceived as an issue of “pure” and “mixed”. There are theories pro and contra hybridity. The critics of hybrid phenomena argue that cultures are always mixed and in that way concept “hybridity” tell us nothing. (Jonathan

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4 Specifically, the migrations where the migrants interact with the local population.
5 The process in which a notionally non-European subject (be it a culture, a language, a city or a nation) adopts a number of European features. Outside of the social sciences, it commonly refers to the growth of a European continental identity or polity over and above national identities and polities on the continent. Available at: [http://encyclopedia.thefreedictionary.com/Europeanisation](http://encyclopedia.thefreedictionary.com/Europeanisation)
Friedman, 1997). From the other side supporters of hybridity argue that in essence there are no pure cultures, respectively identities.

This argument can be further extended if we are aware that identity drew from many different sources (gender, territory/homeland, status and ethnicity, ideology). In this context hybridity is not just about mixing. It is rather about positioning and it is about fluidity (Frello). Defined in that way, the issue of hybridity as “pure” vs. “mixed” converts into the question of “centre” vs. “margin”. But then the questions who is “responsible” to define what or who is “centre” or “margin”, included or excluded, based on which criteria and circumstances, are unavoidable.

Speaking about identity, questions mentioned above lead us toward the next dilemmas. First, the dilemma about fluency or precipitation of “unchangeable” within our identity, such is ethnicity and race; and second, if by supporting hybridity we support the hiding of unequal power relations.

**Europeanization or European identity**

There are several ways in which to define Europe: first, as a transnational political organization consisting of nation states called the European Union; second, as a geographical entity, or geographic regions associated in the making of European territory; third, as a cognitive and practical category, considering Europe as a nation that has no substance or fixed reality, but rather something that exists as a potential (Creutz-Kämppi and Holley, 2011); fourth, as a European identity which mainly refers to the construct of the European Union and the political dimension of European integration process (Jacobs and Maier, 1998: 13-34). Finally, Europe can be an idea imposed through the European public sphere whereby Europeanness is an inclusive and not exclusive category for Europeans themselves, but for non-Europeans as well.

More relevant for this paper is the concept of Europe as a European identity. This concept should not be understood as a fixed category, but rather as a historically contingent process. If European identity, as mentioned above, reflects the foundation of the European Union, then it implies two dimensions: first the European Union as an institutional framework, and second, the values shaping it: democracy, tolerance and respect, universal rights, Christianity, enlightenment, secularization, development, freedom, individualism, humanism, law and justice, peace, technology, science, commercialism. This simultaneously implies that such an identity should be formalized through, first, participation in the institutions of the Union, and, second, the accommodation of these values. True, this means that the political and economic interests formalize the identity through the acceptance and recognition of states claiming to be part of European Union. To put it differently, Kosovo – just like other
countries aspiring to EU membership – should formalize, in political terms, its European identity through joining the European Union.

However, the situation in Kosovo is quite specific. Since the military intervention of the international community in 1999, part of which included European Union countries, Kosovo has faced a continuous European presence in its territory through the political and military spheres, economic support and cultural impact. Over the last twelve years Kosovo has been under the permanent influence of Europeanization, in its construction as a legal institution (read: state) and in its adoption of Western European values. Parallel to state-building, Kosovo (re)constructed a piece of its identity: the European part. The Kosovar Diaspora and the returnees from European countries also have significantly influenced the (re)creation of identity. Significant research has shown that a considerable number of Kosovo citizens live abroad and hold strong links with the homeland and its values (Forum 2015, 2007).

According to a family survey conducted by the Riinvest Institute, in 2007, about 40% of Kosovo Albanians have at least one family member who lives abroad. The survey shows that the Kosovar Albanian Diaspora is spread mainly throughout the European Union countries. About 60% of Kosovar migrants live in Germany (39.4%) and 23.2% in Switzerland. A smaller percentage of Kosovar migrants live in other European countries: Italy, Austria, Scandinavian countries, and the United Kingdom. Hence, the transfer of European values to Kosovar society through frequent contacts and visits of Kosovar Diaspora members, has affected the (re)construction of Kosovo European identity as well.

However, the main outcome of a permanent European presence in Kosovo and the influence of the Kosovar Diaspora on the enactment of European practices and values, has not led to an European identity, but rather to a hybrid identity. Eurocentrism that has been feeding itself through the formal Europeanization processes based on the technical and political criteria for Kosovo- European Union integration could not hide the fact that Kosovars continue to be perceived as foreigners or “others” in Europe. The formal face of Europeanness, as a technical procedure and political condition for EU integration, strengthens a hybridity rather than European identity within the local population of Kosovo.

This reflects clearly the domination of politics over identity, considering that politics is an extension of economic interests. Lena Dominelli calls it simply “economical identity”. But, can identity survive or grow beyond its political or administrative definition?

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7 Lena Dominelli, Durham University UK, is a Professor of Applied Social Sciences and Academician in the Academy of the Learned Societies for Social Sciences.She used the term “economical identity” in her presentation on the international conference “Chains of Migration: Migrantion and Identity in the Postyugoslav Countries” at the University of Ljubljana, 25 March, 2011.
In his book “Imagined communities: reflections on the origin and spread of nationalism” Benedict Anderson (Anderson 2006) discusses nationality as a narrative, or as a notion based on the imaginings of common belonging. He refers commonly to the notion of an imagined community. Anderson at the same time points out that every nation builds its identity based on symbols and rituals closely linked with territorial and administrative categories. He shows that different ethnic groups can be involved in common thinking about ethnic belonging which is based neither on internal necessity nor on real historic continuity, but is a result of the symbolic processing of time and space, and the selection of specific cultural elements from the past which in the right moment can ensure the idea of continuity and belonging to an ethnical community.

The representatives of dominant cultures in today’s society make efforts to identify the spiritual affiliation of “other” cultures in order to spread their own values. At the same time they create administrative obstacles for the inclusion of others on their construction, thus maintaining their dominant position:

...the post-colonization theory of the discourse deconstructs various narrative structures, by showing that only the textual appearance serves the domination, exclusion or instrumentalizing of others. In a word, every presentation can be interpreted as a part of the nationalist project or as a part of the “logic” of domination and the ideology of “marginalized identities”, which presents a concept refused by new theoretical tendencies considered to be a hegemonic heritage of the modernist attempts to conquer. (Đorđević, 2008: 29-44 (41))

Anderson’s theory can be extended to include an additional perspective. If we take into account marginalized communities (ethnic, cultural, religious etc.) which make efforts to affirm their joint identities by the same tools (narration or the story over their common unity and identity) those communities still do not achieve the same results, because their efforts are blocked by other dominant communities through administrative obstacles. Imposing the “normative” concept of identity, within a unique cultural process, expresses the un-hidden tendency to continue the politics of domination and the preservation of hegemonic relations.

Europeanness in Kosovo thus is viewed as a hybrid identity precisely because of administrative barriers in accepting the European identity of Kosovars. If hybridity, as mentioned above, is conceptualized as positioning, not mixing, Kosovars’ perception on their own identity is marginalized despite the many European ties Kosovars already enjoy.

Kosovo, the Young Europeans?

In his reflection on European identity, in the course of the Europeanization – Americanization debate, Gianni Vattimo (2005) refuses the approach according to which the European countries were unified naturally, considering that the project of Europe as a unified political subject is exclusively a unification of cultures, while the very term (culture) directly opposes the notion of nature. According to Vattimo, there are pragmatic reasons for
establishing the European Union of coal and steel, unified market, and most recently the 
Euro, which are related also to the prevention of wars in the old continent and to the creation 
of a wealthy and competitive environment. However, these pragmatic reasons and interests 
do not present a genuine basis for a European identity, says Vattimo. Even though the 
natural motives and the “organic” cultural belongings like language, race, land, and religion 
are a basis for the creation of nation-states in the XIX century, they can be considered as
overcome in relation to the issue of the European identity, because it is something more than 
that economical, vital and personal benefits that makes us feel European. It is that “spiritual
ingredient” (Vattimo, 2011:34).

In the Western Balkans, concerning Kosovo, under the effects of globalization, the
accession to the European Union has been the key drive to transition, including the transition
concerning identity. The making of a modern identity implies the transformation of self-
understanding—as a result of the immense changes in the political, economic, intellectual,
religious, and family practices and customs. At the same time, the process of transformation
includes the opposing sides: individuals and social groups and their visions of themselves,
and the acceptance of this vision by other relevant actors.

For Kosovo citizens (for the Kosovar Albanian majority) however the making of a
modern identity means, in fact, turning back towards their original identity, European identity.
This is one of the main reasons and arguments why Kosovars seek integration in the
European Union. In this way their long-denied identity, dating from the period of the Ottoman
Empire, through the isolation from Europe during the communist system, and current exclusionary politics concerning the integration processes, will finally be formalized as such.

In his book "European Identity of Albanians", the famous Albanian writer – a
candidate for the Nobel Prize for literature – Ismail Kadare, discusses European identity of
Albanians in several respects. According to Kadare, the first thing that clearly testifies to the
European identity of Albanians, including the Kosovo Albanians, is geography. Furthermore
Albanians are among the oldest nations on the European continent. As largely accepted by
the language experts, the Albanian language is one of ten or twelve foundational languages
of the continent. Early Albanian literature, written in two languages Albanian and Latin, just
as elsewhere in Europe exists for almost the last three centuries. Albanians share three
religions, two Christian, which together comprise three entities of a unique identity.

This type of argumentation for inclusion in Europe is promoted by the intellectual
class in Kosovo. It alludes to the prolonged delay in the recognition of the European identity
of Albanians which has produced and produces this current manner of argumentation long
after the creation of nation-states.
Figure 1. An illustration of public campaign organized by Government of Kosovo, as a promotion of a “new” Kosovar identity.

However, by means of inclusion in the European integration processes, Kosovar society claims, also for political reasons, not only the goods that citizens of Kosovo might benefit from, but also the political capital that the political class will gain. The politicization of the issue of Europeanization mainly dictates the question of identity. As a result the Kosovar political class pretends that state-building in Kosovo has created an entirely new identity and that with this kind of identity Kosovo will gain the status of young Europeans and will become a part of the European Union.

But anybody who ever discusses the issue of identity and reflects on it, knows that identity is a whole that includes as Jean-Claude Kaufmann says, the subjective structure, the actual reality that has effects on identity, and finally the notion of the “other” who accepts or rejects the offered identity. Identity theories stress that identity is never one-dimensional and that emphasis on only one dimension of the identity has often been the cause of conflicts and wars. At the same time wars and conflict produce identities, often consensual identities, within which individuals are not able to recognize themselves as such any longer. This is one of the reasons why internal conflicts, feelings of insecurity, loss of hope take place, and after that reflects the need of return to so called “the collective truism” (Kaufmann, 2006) and belonging to collective identity. But the creation of new identities, however, does not imply the withdrawal from values, from oneself and starting from zero.

The Kosovar political class forgets that achieving European status does not consist in the negation of the history of values, or the apostasy of the mission common for every nation on this planet: the protection of interest of all its members. As Kadare has pointed out, “...the

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8 Available at: http://www.kosovo-young.com/
9 Explanation for why has the Kosovar political class pretended that there is an entirely new identity occurs in this sentence: “This is due to the fact that the mainstream model of globalization, created by the superpowers, demands unification and shows ignorance regarding the existing differences (geographical, cultural, individual), which is in the sharp contrast with the modern needs for plural expressions and self-determination of individuals and societies/cultures.” (Golubović, 1/2011)
program of any civilized nation is this and only this. Friendships, alliances, strategies are related to it and only to it. This is not an ethnic-egoism. When every nation in a natural, human and democratic manner accomplishes this mission for itself, it accomplishes it for all mankind. This is the basis of the concept of Europe, the basis from where the European Union has grown, which is also called the Europe of Nations” (Kadare, 2006: 58).

In the Sources of the self: the creation of the modern identity Charles Taylor rightly points out that modern identity is constructed because changes in its understanding are closely linked with the broader sphere of practices (religious, political, economic, family, intellectual, artistic) that affect each other. It is very important that these practices are articulated as guidelines for the argument, pro et contra. But, on the other hand, it is very important to understand the motivation: how individuals react, what they claim, what is the relevance of their goals, etc. “One has to understand people’s self-interpretations and their visions of good, if one is to explain how they arise” (Taylor, 2001: 204).

Therefore, the process of Europeanization should be understood not only as a political involvement or economic interest, nor only as an issue of a complement to technical standards and criteria, because the main intention is not to install Western forms and techniques, and at the same time to cultivate Eastern values. The process of Europeanization means primarily the emancipation of Europe herself, not on her relation to “us” and “them”, but on Europe’s relation to “us” and “us”. Only then it will be able to understand Kadare: “the loss and the retrieving of the mother continent, doesn’t make us less European in comparison with the rest. Rather, it makes us more [European]” (Kadare, 2006: 59).

But this issue is no longer solely dependent on Kosovars, if it ever was. It is up to Europe itself, just as its internal answer for the future of the European Union and Europeanization. If the Europeans wish for the European identity to be as Vattimo states, an inspiring principle of a politic “that will be able to reward Europe with dignity in accordance to the weight she has on the world” (Vattimo, 2011: 34), the first step in this direction is for Europe to accept itself as such, decent with all her parts, including those which are still not “formally” accepted.

**Literature**


Frello, Birgitta *Essentialism, hybridism and cultural critique* https://docs.google.com/viewer?a=v&q=cache:dNRvpBj8ml8J:www.uel.ac.uk/ccsr/documents/FrelloEssentialism.pdf+Essentialism,+Hybridism+and+Cultural+Critique&hl=en&pid=bl&srcid=ADGEESi7BZNBFUz-dqBTElimqT2DdeM295_wRHyd5k60m3ylFa7BYccX6sk9-gQ5Urnos10EU_yuTNoSC-8DFkgc0ACe2H8a3ZmjfuVSF3FzEKhQzWwlWbC94lbqPLGktBbDQpvIwmu&sig=AHIElbT864p5VmVMpRVpOVNAIFcGm8Ddcw


The Political Re-Making of History: the Case of the Conflict over Abkhazia (The Post-Soviet Period)

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The paper demonstrates the role of politics in the creation, maintenance and transformation of the conflicting narratives used for the build-up of the conflict between Georgian and Abkhazian ethnic groups in the Republic of Georgia. This necessitates investigation of the role and impact of the particular policies on the instrumentalization of narratives. In this case study of the interaction of the Georgian-Abkhazian nationalisms, the uses and abuses of the Soviet era identity building process will be deconstructed; that is the links between identity politics and historical narratives. The legacy of the Soviet policies (mainly political and cultural) has provided the institutional opportunities for the both – re-consideration and re-assessment of the past and laid the foundations for the pretenses within the re-modeling of the future institutional relations between the two ethnic groups. The study argues that in the context of the institutionalized past, politicians referred to the concrete political and cultural institutions for the backup of their pretenses and build-up of their future political basis.

Introduction

This paper tries to analyze the role of politics in formation and transformation of the conflicting narratives as a cause of the conflict between the Georgian and Abkhazian ethnic groups. In this respect, the Soviet ethnic politics, contributing to the process of the instrumentalization of narratives, will be critically reflected: that is the re-construction and interpretation of particular episodes from the past inter-ethnic relations of Georgians and Abkhazians with the aim of justifying and fulfilling political aims of elites during the end of 1980s and beginning of 1990s. The interaction of the Georgian-Abkhazian nationalisms was based on manipulation of the Soviet time identity-building processes of Georgians and Abkhazians that is the process of fermentation of identity politics through reconfiguration of historical narratives will be re-constructed.

In the case of Abkhazia, identity promotion, coupled with majority-minority institutional separateness, made the clash between the post-Soviet Georgian and Abkhazian nationalisms unavoidable. The favorable institutional representation of Abkhazians in the supreme Soviet of Abkhazian ASSR/Abkhazian Autonomous Republic (through the Soviet time ethnic quotas, through the post-Soviet distribution of seats in the local parliament via
new electoral formula\(^1\) offered by Tbilisi, etc.) and the existence of a strong cultural-historical basis for their emerging nationalism during the late 1980s and the early 1990s pushed them [local ethnic Abkhazian elite] to re-consider their status within the Soviet Union, and Georgia proper. The Soviet political and cultural institutions were crucial structures in terms of crystallization of nationalist claims and national movements into political projects. Various institutions enabled the coordinated instrumentalization and uses of the political and cultural properties of Georgian and Abkhazian ethnic groups, as they played a “constitutive rather than merely constraining role in the post-Soviet transformation” (Brubaker, 1996: 24).

In essence, the problem of the late 1980s and early 1990s in Abkhazia was intermingled with two highly debated concepts in nationalism and ethnicity studies – *state* and *nation*. The Abkhazian local elites and their allies were striving for the establishment of their own independent nation-state, whereas the central Georgian authorities were putting guarantees of the political-cultural rights of Abkhazians within the framework of the territorial borders of the Republic of Georgia. This interrelationship between the Republic of Georgia (state of the Georgian nation) and the local autonomous polity of Abkhazia (homeland of the Abkhazian nation/ethnic group) is nicely reflected in the words of Walker Connor (1972: 333), who mentions that “[... state is] a legal concept describing a social group that occupies a defined territory and is organized under common political institutions and an effective government”. By contrast, a nation is defined as “a social group which shares a common ideology, common institutions and customs, and a sense of homogeneity ... a nation may comprise part of a state, be coterminous with a state, or extend beyond the borders of a single state”. And so, through uses and abuses of the historical past of the nation and via manipulation of political, cultural and economic institutions of the respective polity (effective government) the conflict became possible. As Rogers Brubaker (1996: 6) mentions, “the conception of states as the state of and for particular nations – became the prime lever for reimagining and reorganizing political space.

This study will highlight the path of the identity struggles in the case of Abkhazia, uncovering the balance between the political and cultural factors in the Georgian-Abkhazian contention over the political rights and identity maintenance by the time of dissolution of the Soviet Union. The second part of paper will point to the existing gaps in the accumulated

\(^1\)The new electoral formula came through the Constitutional Project of Dr. Levan Aleksidze, which emerged as a total novelty in terms of minority rights guarantees and minority empowerment. The new formula of distribution of seats in the local parliament (28 ethnic Abkhazians, 26 ethnic Georgians and 11 representatives of other ethnic groups) was intended to ease tensions in the region, among ethnic Abkhazians and Georgians first and foremost. According to the agreement, Abkhazians (17 % at that time) were granted 28 places, Georgians (46 % at that time) - 26 and other nationalities (37 %, consisting mainly of Armenians, Greeks, Russians) - 11 seats in the Parliament of Abkhazia (AR). See: Law of the Abkhazian ASSR on the Amendments and Additions to the Constitution of the Abkhazian ASSR (July 9, 1991) (2005) in Tamaz Diasamidze (ed.) *Regional Conflicts in Georgia – South Ossetian AO. Abkhazian SSR (1989-2005). A Collection of Political and Legal Acts*, Tbilisi, p. 76.
literature on the Georgian-Abkhazian contradictions and demonstrate the role of the [Soviet] time institutions in the political re-making of history for the start-up and in the maintenance of political and cultural struggles between the two ethnic groups. Finally, it will offer some opportunities for the future research in line with institutional analysis of the post-Soviet conflict over Abkhazia.

**Grounding the Research Problem**

With the dissolution of the Soviet Union demands of ethnic groups transformed from the pretenses on wider cultural rights, through autonomy, to separation from their respective states. Svante E. Cornell (2002: 252-253) rightly argues that “institutionalizing and promoting the separate identity of a titular group increases that group’s cohesion and willingness to act, and establishing political institutions increases the capacity of that group to act; whereas autonomy effects on the state institutions, leadership, and external support”. In this line, in the case of Abkhazia, there were some instances of socio-cultural struggles between Abkhazians and the military units of the central Georgian authorities in the pre-Soviet period, when a portion of Abkhazian nobility strove for the separation from Georgia, which continued through periodical minor outbursts of Abkhazian protests during the Soviet time and culminated with the split of the local university into Abkhazian and Georgian parts, followed by the linguistic claims and the contradictions over the status of the Abkhazian language. It was accompanied by the so-called war of historians, which was essentially a struggle over the past and the appearance of the different visions and versions of histories for the legitimization of the chosen conflicting policy line.

The present paper will not dwell on this aspect in its analysis, however. Generally, historians follow the line of uncovering the historical narratives and the uses and abuses of history during the Soviet and post-Soviet times, briefly stretching their analysis to the links and mutual implications of the political and cultural occurrences and their institutional constraints. The Georgian and Abkhazian Soviet and post-Soviet narratives (of the 1990s) were mainly centered on the problems of ethnogenesis of Georgian and Abkhazian ethnic groups; e.g., whether Abkhazians were settlers or an indigenous ethnic group on the territory.

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2 Before the declaration of independence of Georgia in 1918, there were some clashes in Abkhazia, but these contradictions could not be described purely as ethnic, without consideration of actions of the local Bolsheviks and military formations of Denikin. It would be more precise to understand those clashes as the social-class struggles, rather than attach an ethnic label to them. It’s partially true that a portion of Abkhazians at that time sided with Bolsheviks against the Democratic Republic of Georgia, although a group of Abkhazian nobility – e.g. Shervashidze – fought on side of the military forces of Tbilisi against Bolsheviks. Thus, the pre-Soviet Georgian-Abkhazian relations is a complex story, which should be reflected in the context of the aftermath of the October Revolution of 1917. As regards to the Soviet era, those time Georgian-Abkhazian “controversies” are exemplified in the paper through the detailed analysis of the events of 1957.


4 See Shnirelman (2010), Kakitelahsvili (2010). These are authors, who wrote on this problem, provided new visions on the role of narratives, but did not refer to institutional aspect of the problem.
of Georgia. In addition, the historical relations between the Georgian and Abkhazian kingdoms of the medieval times and their interrelations were actively discussed. These debates were aimed at justification of the “ownership” of Abkhazia either by Georgians or Abkhazians, therefore setting their primacy on this territory vis-à-vis each other. The similar debates were taking place in the fields of linguistics and toponymy as well. Although historians do not look at nationalism from the prism of politics, it should be kept in mind that the particular discursive politics first ordered and later on transformed the instrumentalization of history into the political bargaining between the Georgian and Abkhazian ethnic groups. Brubaker (1996: 25) rightly mentions in this respect that “Soviet and post-Soviet “national struggles” were and are not the struggles of nations, but the struggles of institutionally constituted national elites – that is elites institutionally defined as national – and aspiring counter-elites”. I’d add that this is the main novelty of the study – to demonstrate the role of the institutionalized elites in the post-Soviet clash over Abkhazia, which in the mainstream literature, is widely seen as the result of the plundered and dismantled past of the Georgian and Abkhazian ethnic groups.

The seeds of the post-Soviet Georgian-Abkhazian trouble could be found long before the glastnost and perestroika, in 1920s and 1930s, when through the policy of territorialization of ethnicity, territorial nationhood and ethnocultural nationality were institutionalized “as basic cognitive and social categories” (Brubaker, 1996: 8). On the basis of these categories, the post-Soviet inter-ethnic politics and inter-ethnic relations were formed. According to Brubaker (1996: 8), “these categories […] continue to orient political understanding and political action in Soviet successor states today”. The fact that nations were defined simultaneously in territorial and political terms (as national republics) and in extra-territorial, cultural terms (as nationalities) (Brubaker, 1996: 36) could be ascribed one of the primary roles in conflicting transformation.

With the defeat of Gorbachev and the seizure of power by the Russian party leader Boris Yeltsin in 1991, “widespread demands for autonomy or even independence were arising among the Union’s non-Russian nationalities” (Tilly, 2007: 134). The local leaders of the autonomous republic of Abkhazia came to the forefront of the everyday political life and started to construct their independent policy vs. Tbilisi through Moscow. The mobilization of ethnic Abkhazians was not a hard task, as according to Anthony W. Marx (2002: 105), “a group consciousness is […] constructed by officials and elites, who use selective evocations of history to project an image of prior legitimacy and purposefully forget inconvenient images or experiences of past or present internal division. The images of a common identity, unifying ethnicity, and shared language were gradually invented, constructed and reinforced, often explicitly, to bolster social cohesion”. Thus, nationhood and nationality should be seen as
institutionalized cultural and political forms, and they do not represent nations as concrete collectivities (Brubaker, 1996: 24).

The present research will demonstrate the linkage of politics and nationalism on the case of the post-Soviet contradictions over Abkhazia through the Soviet time inherited institutions and highlight the role of the [Soviet] identity building policy in the construction of the exclusive Abkhazian identity after the dissolution of the Soviet Union. This conflict could be seen in the context of the Bourdieu’s concept of social capital, which “puts the emphasis on conflicts and the power function (social relations that increase the ability of an actor to advance her/his interests). Social positions and the division of economic, cultural and social resources in general are legitimized with the help of symbolic capital” (Siisiäinen, 2000: 1). Abkhazians managed to use their social capital as a resource in the social struggles, which were carried out in different arenas (politics, economy, culture), whereas myths and past narratives were successfully exploited for the legitimization of activities of both sides – ethnic Georgians and Abkhazians. Actually, the process of exploitation became possible and easier through institutions inherited from the Soviet times. The institutional analyses of the post-Soviet confrontation over Abkhazia balance between the cultural-primordialist and instrumentalist or elitist explanation of ethnic conflicts. Thus, the balance between the identity struggles and present geopolitical usage of ancient narratives is not lost.

The Context of the Present Study

A great number of works have been created on the Abkhazian case since the dissolution of the Soviet Union. Most are focused on the identity-formation processes of Abkhazians and Georgians, and centered on the problem of the determination of the other in these processes. In reality, the actual process and means, through which minorities sought their own state for the defense of own peculiar culture and identity, i.e. nation [state]5, is usually absent from their analyses. Therefore, the context of the present problem of the Georgian-Abkhazian conflict should be adequately reflected. The investigation of the post-Soviet clash of the Georgian-Abkhazian nationalisms should “focus on nationhood and nationness, on “nation” as practical category, institutionalized form, and contingent event” (Brubaker, 1996: 7). That is the need to reflect on the history and the Soviet politics of the Georgian-Abkhazian relations in a tight interconnection, otherwise the entire picture of the post-Soviet contradiction could not be constructed. Exactly the Soviet ethnic politics first and foremost, made the Abkhazian ethnic group (during the Soviet time) and Abkhazian nationalism (during and after the Soviet Union) a contingent event and gave them an institutionalized form.

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5 See Harris (2009).
With this aim, it’s crucial to understand the context, in which ethnic groups feel oppressed by others. In the case of the conflict over Abkhazia, both Georgians and Abkhazians had a feeling to be oppressed by each other. Sharing with Michael Mann (2004: 15), “political power relations in the sense of a shared political history (as independent state or distinct province) has been of ubiquitous importance” for Georgians and Abkhazians, whereas during the Soviet time the accent was made on the issues of cultural-historical kinship of these two ethnic groups and on the linguistic rights of Abkhazians. This problem is nicely summarized by Stephen Jones (2006: 256), who argues that, “the Soviet state successfully maintained Georgian nationalism’s traditional focus on cultural issues, especially language and literature. Georgian nationalism remained a cultural phenomenon, and it was only with perestroika and the threat of Abkhazian and South Ossetian secessionism, that Georgian nationalism became a political movement that challenged the Soviet state”. Evidently, Gorbachev’s policy of Glasnost and Perestroika was found as an opportunity by ethnic minorities to reconsider their political rights, whereas the dissolution of the Soviet Union motivated them to refer to the political institutions and economic basis of the autonomous republic for the secessionist drive; meantime, cultural institutions were used for their legitimization. Cultural institutions enabled minorities to connect the new political drive to the cause of ethnicity. As Jones (2006: 262) rightly notes, the “territories of these republics and regions [autonomous] were sacralized, with their own borders, national institutions, popular assemblies, and symbols. On gaining independence Georgia faced small domestic states within its borders, or, as Lowell Barrington puts it, the existence of overlapping homelands. Titular nations conceived these autonomous units as their own”. It can be argued that the actual warfare started not via the interpreted and revised historical past, but through the national institutions (through Supreme Soviet) and later on was continued through the popular movement (Aidgilara), which became the central organization in the post-Soviet Abkhazian national mobilization. The same process occurred in the center – Tbilisi, where Gamsakhurdia, through the national movement/political union – Round Table - Free Georgia – firstly got the majority in the Supreme Soviet of the Georgian SSR and then declared independence of the Republic of Georgia (on April 9, 1991). Thus, the core of ethnic mobilization was created for both sides, whereas the [Soviet] ethnic policy was referred for the creation of what Svante E. Cornell terms as mirroring nationalism\(^6\), of the Georgian and Abkhazian ethnic groups. Ray Taras (2002) sees it in the light of Stalinist time interconnections of ethnicity, territory, and political administration. According to Taras (2002: 176), “when the Soviet center imploded, nationalist mobilization became nearly ubiquitous throughout Soviet lands. Nationalities were transformed into virtual political parties. And

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ethnic borders were transformed into state ones. Suny captured the paradox: the radical socialist elite that proclaimed an internationalist agenda ... in fact ended up by making nations within its own political body”.

Unfortunately, the national mobilization and rhetoric against the center – Moscow, was perceived to be the threatening one by the ethnic minorities residing in Georgia, Abkhazians and South Ossetians first and foremost. Therefore, Abkhazians depended on the local institutions – Supreme Soviet of the Abkhazian ASSR, local branch of the university, theater, newspapers and TV station – to defend their homeland and national identity from the ethnic rhetoric of Tbilisi in the midst of the post-Soviet transformation. Thus, the reinvigoration of the historical past was only one aspect of the bigger process.

Differences were historically felt between Georgians and Abkhazians, but this had never led to intra-state conflict between the two ethnic groups. The conflicting developments in their relations during the early 1990s can be explained as an identity crisis in the process of transition. Beverly Crawford (1998: 2) claims “where identity politics once prevailed and when institutions upholding the old social contract [were] weakened, the odds of cultural conflict and even violence increase[d]”. I would argue that the Soviet ethnic policy contributed much to the crystallization of the conflicting identities and hostile interaction of ethnic groups; they were locked in the Soviet institutional (mostly in political and cultural) structures. In this respect, Ivliane Khaindrava’s (2011: 9) comment seems relevant, arguing that “the mutual lack of understanding and mistrust led to the fact that when the conditions were ripe to fight the communist system, the Georgians started to fight the Kremlin and the Abkhaz embarked on a fight with the Georgians”. At the same time, there should be some explanation for the alienation of the Abkhazians from Georgia and rapprochement to Russia. In this respect Khaindrava (2011: 10) claims that “Abkhaz phobia of the Georgians and Abkhaz nationalism has their own roots, resources and traditions, often not connected to Moscow and Moscow’s ‘imperialism.’ Therefore the Abkhaz argument that short-sighted Georgian actions or omissions constantly pushed the Abkhaz towards Russia, is not entirely groundless”.

This short quote justifies the above-mentioned claim on the role of the triangle of Soviet political, cultural, identity legacies and their revelations through the institutionalized policies in the post-Soviet Georgian-Abkhazian contradictions, which proved to be conflicting at different times during the Soviet era. It is hard to argue that the post-Soviet contradictions and deadly conflict emerged immediately on an empty basis with the dissolution of the Soviet Union. The inter-ethnic relations in the Abkhazian ASSR were in deadlock and close to ethnic catastrophe at different times, sparking protest movements in 1957, 1964, 1967 and in 1978 (Appeal of the Representatives of Abkhazian People in the Village of Likhni..., 2008: 95). Thus, it could be claimed that there were some prior dissatisfaction between the Georgian and Abkhazian ethnic groups expressed through elite struggles and counter-
pretenses from the local Supreme Soviets to the corridors of the Kremlin, but this did not transformed into the hot conflict till the dissolution of the Soviet Union. The preconditions of linkage between the national politics and culture in the Abkhazian case could be caught in Slezkine’s claim, when he argues that “Lenin’s […] theory of good (“oppressed-nation”) nationalism formed the conceptual foundation of the Soviet Union and his NEP-time policy of compensatory “nation-building” (natsional’noe stroitel’stvo) was a spectacularly successful attempt at a state-sponsored conflation of language, ‘culture’, territory and quota-fed bureaucracy” (Slezkine, 1994: 414).

The mode of interaction of the post-Soviet Georgian-Abkhazian nationalisms is caught by Rogers Brubaker (1996), who characterizes nationalisms as interlocking and interactive, bounded together in a single relational nexus. “This can be characterized on first approximation as a triad linking national minorities, the new nationalizing states in which they live, and the external national “homelands” to which they belong, or can be constructed as belonging, by ethnocultural affinity through not by legal citizenship,” Brubaker argues (1996: 4). Evidently, in the nationalizing Georgia under Zviad Gamsakhurdia minorities became alienated, whereas Abkhazians started to build bridges with their kin ethnic groups of the North Caucasus. Although, as Abkhazians do not have any external national homeland, the rhetoric of a portion of the those time political establishment of the Republic of Georgia, describing them as “settlers” and “late arrivals” on Georgian soil, were alienating them from Tbilisi and pushing towards Moscow.

The Soviet time ethnic policy provided Abkhazians with the basis for the formulation of the independent driven politics after the dissolution of the Soviet Union. Referring to the work of Rakowska-Harmstone on the nation-making aspects of the Soviet policy which combined historical depth and social scientific sophistication, Ronald Suny and Terry Martin (2001: 9) argue that this work demonstrated “how indigenous ethnic elites in republics sought sources of legitimacy in their own nationality through the skillful manipulation of permissible nationalism”. Therefore, I’d argue that the Soviet era creations of the political and cultural institutions came as a (side-)effect of the Soviet nationality policies – its nation-making and its nation-breaking aspects. Meanwhile, recalling Putnam’s claim, the region [Abkhazian Autonomous Republic] had “a well-functioning economic system and a high level of political integration, these are the result of the region’s successful accumulation of social capital” (Siisiäinen, 2000: 1), it could be argued that Abkhazian drive for independence was supported with some prior rational calculations, considering the Soviet time inherited self-sustained economic facilities of the autonomous region and their separate (from Tbilisi)

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7 For the wider sketch on nationalism, as the nation-building and nation-destroying political process, see Marx (2002) and Connor (1972).
management. In addition, in the Abkhazian A(SS)R there were “…objective structures independent of the consciousness and will of agents, which are capable of guiding and constraining their practices or their representations” (Bourdieu, 1989: 14). These structures were political (constitutions, Supreme Soviet) and cultural (native language elementary schools, TV and radio broadcasting, newspapers and Abkhazian university) institutions.

Summarizing, in reality, the contradictions and inter-ethnic dissatisfactions were formed throughout the history and channeled into the new path after the dissolution of the Soviet Union through the inherited Soviet political, cultural [and economic] institutions. In addition, with the end of the hot phase of the conflict during 1992-93, the conflicting claims were expressed through the re-institutionalized Abkhazian (and evidently Georgian) historical canons, history textbooks, political discourse and identity self-assertion. Therefore, the desires and actions of elites were easily translated into necessary measures for the defense of nation. As Charles Tilly (2007: 138) argues, “we are studying transformation in which autonomous clusters of power such as warlords, patron-client systems, religious communities, armies, and large kinship groups dissolve and/or become subject to public politics with extensive popular participation”.

This point of Tilly is pretty valid in respect to Abkhazia. The power was plundered by different political, cultural and military factions of the Georgian and Abkhazian ethnic groups. Brunno Coppieters (1998) offered the following perception of mutual relations between Georgians and Abkhazians. Although his reflection dates back to 1998, it might be still valid for the present era: “[the] Georgian and Abkhaz leadership are constantly on their guard against a negative reaction from their public to initiatives they are taking…Both governments fear of losing the confidence of their own rank and file may partly explain why discussions on the political status of the Abkhazian state and on peace agreement did not make significant progress” (Coppieters, 1998: 7).

In the case of Abkhazia, this was the story of the political remaking of history, which was utilized for particular political purposes by the local political and military elites, in cooperation with historians and intellectuals, who have been thinking of historical justifications for an independent Abkhazia. Thus, dissolution of the Soviet Union and the rising nationalism in the center – Tbilisi, provided them with the opportunity for action.

**Georgian-Abkhazian Inter-ethnic Pretenses of the Soviet Period: 1957 – The Dilemma of Intellectuals or Political Interlope?**

The Soviet-encouraged contradictions between Georgian and Abkhazian ethnic groups tell us much about the significant Soviet influence on the formation of the post-Soviet
inter-ethnic political discourse. Past is the strong tool in the hands of politicians for achieving their particular political aims. Citing Elie Kedourie, Marx (2002: 118) mentions that: “Nationalists make use of the past. The particular past cleavage that is enforced to encourage unity depends upon imbedded historical ideology and narratives informing strategic debates among elites about what target and form of exclusion will heal pressing internal conflict within a core judged indispensable. Precisely because we are not all “geldings,” as Ernest Gellner would have us cut off from our past, bias from our past is reworked to shape exclusive nationalism. Time to time reflection on the past significantly contributed to the formation of an exclusivist Georgian and Abkhazian nationalism that did not leave space for the formation and construction of the narrative of a shared past.

An in-depth description of the developments of 1957 is sufficient to demonstrate the spirit of these years’ debates and contentions. The events of 1957 were formally instigated by a book of the famous Georgian scientist, philologist Pavle Ingorokoqva published in 1954, entitled as “Giorgi Merchule”. One of the chapters of the book examined the ethnic origin of Abkhazians, arguing that Abkhazians were one of the Georgian ethnic groups even though the mainstream Georgian historiography did not share the position of the author. The publication was followed by the review article of academician Giorgi Akhvlediani in 1955, published in “Zaria vostoka”. The reviewer supported Ingorokoqva’s position that modern Abkhazians are not descendants of the late antiquity and early medieval Abazg-Aphsils and Abkhazians, and that they were members of the Georgian ethnic world. Representatives of the Abkhaz intelligentsia demand the banning of Ingorokva’s book. The situation was not eased by the publications in “Mnatobi” (1956, # 12) of the-then leader of the Georgian historiography academician Nikoloz Berdzenishvili and other well-known authoritative Georgian scientists criticizing Ingorokva’s point of view. In response to these critics in the same periodical (1957, # 2), various publications by Giorgi Akhvlediani and Simon Khaubkhchishvili appeared, defending point of view of Ingorokoqva. At a glance these were quite ordinary academic debates. Nevertheless, on April 11, 1957, letters and telegrams were sent to Nikita Khrushchev by Abkhazian intelligentsia and party functionaries demanding exclusion of the Abkhazian ASSR from the Georgian SSR.

Party leadership of Georgia was quick to respond in defense of the regime characteristics and political opportunity structure. In a meeting of April 12, 1957, the bureau of the Central Committee discussed the issue of “Erroneous Discussion Organized by the ‘Mnatobi’ magazine about P. Ingorokha’s book ‘Giorgi Merchule’”. Ivan Tarba (Abkhazian poet and Obkom secretary in ideological issues), Arkhipo Labakhua (head of the Committee

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of Ministers of the Abkhazian ASSR), etc. participated in the meeting and shared their views on the issue. The Bureau of the Central Committee of Georgia condemned the publications in “Mnatobi” (1957, # 2) and considered them as the basis for the erroneous discussion on the issue. It was stressed in particular that “such publications on the pages of magazines and newspapers entail great damage to the nurturing and strengthening friendship among peoples and creates conditions for different sorts of nationalistic manifestations” (cited in Papaskiri, 2007: 158). On April 15-16, party Obkom meeting was held with the agenda On Decisions of 12 April 1957 Bureau of Central Committee of Georgian Communist Party, on erroneous discussion organized by the “Mnatobi” magazine about the P. Ingorokhva’s book “Giorgi Merchule.” At this meeting the decision was approved and was taken for direction and implementation in undeviatingly manner. The Central Committee of the Georgian Communist Party in addition to its bureau decisions fired the Editor of “Mnatobi” – poet Simon Chikovani, Secretary of the Central Committee of the Communist Party of Georgia David Mchedlishvili, head of the Science, Schools and Culture Division of the Central Committee Mikheil Kveselava.

The outcome of these events demonstrates the political opportunity structure of the regime and intimate links between intelligentsia and political establishment. The main outcome of 1957 was that Abkhazians gained a more dominant position in the “internal” business of autonomy. As for the scientific discussions, it became almost impossible for Georgian scientists for decades to publish responses to even apparent falsifications of history. As a result of the Georgian Communist Party leadership's concessions to the demands of Abkhazian ethnic group, Abkhazians gained even more monopolistic positions in autonomy in political and ideological affairs. Thus the uses and abuses of history for gaining political scores was proven once again.

**Crystallization of the Conflicting and Exclusive Georgian and Abkhazian Identities**

The Abkhazian case follows the path of the instrumentalization of the national identity described by Andrei P. Tsygankov (2001: 17): “National traditions, histories, ethnic composition, and homogeneity embedded in institutional arrangements get their way and eventually find an expression in a national formula or strategy of responding to outside challenges”. A proper understanding of the post-Soviet crystallization of Georgian and Abkhazian (conflicting) identities depends on the understanding of the emergence of post-Soviet Abkhazian nationalism. In essence, before the emergence of Abkhazian nationalism and its crystallization into a national-political project by the end of 1980s and the beginning of 1990s, there hardly could be found any pretext to argue the existence of conflicting
Georgian-Abkhazian identities. The inter-ethnic relations were mostly normal and occasional appeals to Moscow, with various claims, had never led to the eruption of inter-ethnic clashes or conflicts. Although the revelation of Abkhazian nationalism coincided with the period of the dissolution of the Soviet empire, and this fact elicited a range of explanations as to the causes of the emergence of the Abkhazian nationalism in itself. Mark R. Beissinger (2002: 9) observes, it is crucial to bear in mind that "identities could be defined in the context of agency, or that nationalism is both a structured and structuring phenomenon has not received sufficient attention ... this is the understanding of nationalist action as merely an externalization of nationalist ways of thinking, brought into being well before the onset of nationalist action".

I would add that the interaction of the post-Soviet majority-minority Georgian vs. Abkhazian nationalisms was the revelation of the different political projects regarding the Abkhazian and Georgian visions of the future, leading to the conflict. Identity promotion made the clash between majority and minority nationalisms unavoidable. Georgian and Abkhazian nationalisms found themselves in conflict over the institutional rights and restrictions with the end of the Soviet Union. According to Anna Matveeva (2002), the pro-regional aspirations of the 1980s, aiming at independence, crystallized in the emergence of mutually confronting nationalisms. The Soviet intelligentsia made good use of the growing radical ethnocentrism of the newly created state, and ethnic conflicts materialized. After the dissolution of the Soviet Union, majorities gained the right to control their fate, while minorities were in an unfavorable position due to the growing and strong nationalist stance of the majorities. As a result, the tendencies of emigration and monoethnicization were strengthened even more. I fully agree with Matveeva (2002: 5) in her claim that "the titular groups came with the creation of their supportive political structures and ideologies, whereas minorities became more and more alien from the respective newly emerged states".

The historical context of the hostile Abkhazian ethnic identity vis-à-vis the Georgian one in the post-Soviet period should be briefly mentioned. The sense of common ethnicity among Abkhazians comes from cultural and historical sources. Anthony D. Smith (1989: 344) identifies an ethnic entity as a “named unity of population, who share the common ancestry and myth of origins, common history and one or more element of the peculiar culture (e.g. language), common territory and feeling of the group solidarity”. Language and compact residence on a particular territory are the key aspects, which form the sense of the common ethnicity and identity of Abkhazians, further strengthened through Soviet institutions. Abkhazian solidarity, confronting the perceived Georgian threat, is another important aspect to consider when discussing Georgian-Abkhazian relations and the development of the Abkhazian nationalism in the 20th century. In this regard, some other cultural elements such as religion, dress style, music, or folklore are less significant. Abkhazians are characterized
by different cultural traditions and customs from Georgians, but language is the determining feature of their ethnic identity, and therefore of their difference from Georgians. The uniqueness of their language for their identity might be due to a commonality of some other Abkhazian features with the neighboring North Caucasian peoples. At the same time, it should be also kept in mind that proximity to and frequent contact with the peoples of the South Caucasus has laid the ground for the mixture of Abkhazian and Georgian cultures (Arutiunov, 2003).

Summarizing, the political rhetoric of the Georgian and Abkhazian national movements and the civil war of 1992, channeled the flow and interaction of the post-Soviet Georgian and Abkhazian nationalisms, i.e. their post-Soviet national-political projects, in a mutually exclusive, hence conflicting way. The Georgian and Abkhazians elites of that time, either contributed to the further formation and fomenting of the hostile relations, or were unable, or even unwilling, to positively influence developments. Therefore, the future outcome of inter-ethnic relations between Georgians and Abkhazians within the Republic of Georgia turned out to become a zero-sum game and the conflict could not be avoided. As Brubaker (1996: 32) argues, “dual – and unprecedentedly thoroughgoing – institutionalization of nationhood and nationality on the sub-state level was effected through state action. Yet it was not intended by state actors. It resulted rather from the unforeseen and unintended persistence over time of a set of institutional arrangements cobbled together in ad hoc fashion as tactical responses to urgent situational imperatives”. As most of institutional arrangements (those of Abkhazians and Georgians) were mutual exclusive, they provided fruitful basis for the conflict with the dissolution of the Soviet Union.

What is the Value of Institutionalism for the Abkhazian Case?

The policies of glasnost and perestroika opened the way for the expression of ethnic claims and aspirations; hence the crystallization of local national feelings into political movements became possible. In this respect, somewhat preferential treatment of Abkhazians during the Soviet times in terms of education, and the existence of the equally preferential structure of political elites in Abkhazia “had the effect of intensifying and even actively creating political groups that legitimate identity-based political struggles and the allocation of benefits” (Crawford, 1998: 12). Alternatively, Crawford (1998: 12) claims, “politically relevant cultural identity may be attenuated by state institutions whose rules of allocation, participation, and membership do not recognize cultural difference as politically relevant”. I argue that as the politically preferential treatment of Abkhazians was evident during the Soviet times, whereas with cultural differences proclaimed and grounded as politically
relevant throughout the 70 years long existence of the Soviet Union, the clash between Georgians and Abkhazians became unavoidable. This was made possible through political institutions under the auspices of the struggle for the political rights to preserve cultural distinctiveness and separate identity.

_Glasnost_ and _Perestroika_ contributed to the re-invigoration of the conflicting collective memories and perceptions of each other on the part of Georgians and Abkhazians. The role of the collective memories in the building of the conflict is comprehensively analyzed by Coppeters, who has collected all the works on Abkhazia written by Abkhazians and Georgians. In one of the essays, Ghia Nodia, a Georgian scholar, claims that the two crucial questions – “who we are not?” and “who is our primary enemy,” are the main features that determine national identity. By the beginning of the post-Soviet period, this was the only aspect of Abkhazian national identity. According to Nodia, by the beginning of conflict over Abkhazia, there was only one feature of the Abkhazian national conception: Georgians are enemies. Giorgi Anchabadze provides the following description of the Georgian idea and perception of Abkhazians: a type of uncivilized and non-cultural people, without their own ethno-cultural potential, who were incapable of self-development and deprived of high cultural standards (Baird, 1999). Thus, the negative stereotypes about each other already existed. Although negative stereotypes do not cause inter-ethnic conflict _per se_; the different interpretation of the political and cultural past provided space for the transformation of the academic debates into political bargaining. Thus, the build-up of the political conflict on the basis of the cultural and historical past became possible.

Nodia (1998: 19) nicely summarizes the various lines of struggles and confrontation of Abkhazians with the central authorities of Georgia: after the fall of the Soviet Union, the Abkhazians were faced with the following choices: “having equal status with Georgia within the Soviet Union; joining the Russian Federation; full independence; and federal-confederal relations based on equal treaty with Georgia”. The war was waged through linking identities and narratives. Meanwhile, the only identity on the scene was ethnic, and it was strongly politicized from both sides, i.e. Georgian and Abkhazian. Citing Crawford (1998: 18), the post-Soviet Georgian-Abkhazian relations through their national projects, strongly rooted in the past, can be explained in its best: “the eruptions [of violence] will be more intense in states where political identity was most politicized and where institutions were most severely weakened. In those states, political entrepreneurs will be able to more easily mobilize support based on ethnic or sectarian appeals”. Thus, the identity debates between the Georgian and Abkhazian ethnic groups were transformed into the actual warfare after the dissolution of the Soviet Union.

I argue that it was not the historical past and different perceptions that were crucial _per-se_ in the deterioration of Georgian-Abkhaz relations, but the fact that these perceptions
were institutionally supported and strengthened during the Soviet era and instrumentalized in the post-Soviet period: firstly culturally, through history writing in the Soviet period (continued more sharply after the hot phase of the conflict in 1992-1993); secondly mentally, through the educational policy, thirdly politically, through the building of political institutions in Abkhazia and through the separate institutionalized representation of the Abkhazian ethnic group in the local governing structures, as the territorial-political crystallization of nationhood in the Soviet Union, presupposed the existence of ethnocultural nations defined independently of them, and imperfectly “contained” by them (Brubaker, 1996: 46).

**Conclusion**

The present paper demonstrates that in the case of formation of the conflicting Georgian-Abkhazian identities, the legacy of Soviet policies – mainly political and cultural – has provided the opportunity for both re-consideration and re-assessment of the past and building the ground for the pretenses on the re-modeling of the future relations between the two ethnic groups. Thus, the past was interpreted according to the [political] interests of the present and for the concrete aims of the mainstream political discourse of the early 1990s. In other words, culture and historical prejudice may provide a sense of bounded group loyalty that strategic calculations can rest upon. This is where preferences come from that are then rationally calculated. In this sense, cultural and instrumental logic can reinforce each other (Marx, 2002: 120).

As the institutionalized past (Soviet time institutional relations between Georgians and Abkhazians through their respective polities, written narratives and history canons, which were mostly contradictory reflection of the shared past) was readily available, particular politicians referred to the concrete policies for the backup of their pretenses and build-up of their future political basis. According to Brubaker (1996: 37), this could be seen as the legacy of “unique Soviet system of institutionalized multinationality and its unintended political consequences … as the repression of political nationalism was compatible with the pervasive institutionalization of nationhood and nationality as fundamental social categories”.

The identity wars were intensified by the late 1980s and the early 1990s between Georgians and Abkhazians, whereas through the political re-use and re-make of history, the Soviet-inherited political and cultural institutions transformed the process into the actual warfare after the dissolution of the Soviet Union. The politicalized history of the Georgian and Abkhazian ethnic groups has paved the way to the identity debates and crisis in the late 1980s and the early 1990s, whereas the revival of the legacies of the Soviet time ethnic policy through the Soviet time inherited political and cultural institutions easily transformed the strained inter-ethnic relations into the actual warfare after the dissolution of the Soviet Union.
Therefore, it could be concluded, that looking only at the conflicting narratives and divergent interpretations of the past is not sufficient for proper understanding of the cause of conflict. Rather, as the present paper demonstrates, some organizational features of the Soviet Union – political and cultural institutions first and foremost – provided fruitful basis for the formation of ethnically colored power structures, whereas existing mutually exclusive narratives were found as the “window of opportunity” for the actual start-up of the conflict between the two ethnic groups. Thus, as Brubaker (1996: 23) claims, “institutionalized definitions of nationhood not only played a major role in the disintegration of the Soviet state, but continue to shape and structure the national question in the incipient successor states”.

**Literature**


Bagazba, Oleg and Stanislav Lakoba (2007) *Istoria Abkhazii s drevneishich vremon do nashyh dnei (History of Abkhazia from ancient times to nowadays)*, Sukhumi.


Official Documents


Most stress research has focused on testing the effects of coping strategies on negative outcomes such as distress and anxiety. The present study focused on the effects of coping styles on the positive affect. Its aims were to examine through gender dimension which coping strategies lead to positive affect. The main results based on correlations, ANOVA and linear regression analysis showed that positive reappraisal, refocus on planning and task oriented coping strategies were positively related to positive affect. There were found to be gender differences in positive reappraisal and social support favouring female positive affect and task oriented coping strategy favouring male positive affect. Theoretical and applied implications of the results were discussed.

Introduction

While much is known about the damaging effects of stress, less systematic attention has been devoted to the ways in which humans cope with stress positively. Although research on coping over the past 30 years has produced convergent evidence about the functions of coping and the factors that influence it, there is still a great deal to learn about how coping mechanisms affect diverse outcomes. Most of the research in coping with stress has focused on unpleasant, maladaptive negative thoughts and consequences rather than on positive ones. Coping theory and research need to consider positive outcomes as well. More recently, however, there has been a rapid growth of curiosity and concern among professionals (Folkman, 1997; Fredrickson, 1998, 2001; Khosla and Hangal, 2006). These researches illustrate the adaptive functions of positive affect during stress; it helps to deal with stress effectively and overcome its harmful consequences quickly.

Gender has often been cited as playing an important role in individuals’ choice of coping strategies (Ptacek, Smith and Dodge, 1994; Lengua and Stormshak, 2000). Nevertheless, there is relatively little about what are the coping processes that people use to generate positive affect in the midst of stress and what are the gender differences. For this reason, the present study attempts to fill in this gap.

The objectives of the study are:

1. to examine which coping strategies lead to positive affect
2. to examine through gender dimension which coping strategies lead to positive affect.

The study is based on a theoretical approach developed by Folkman and Moskowitz (2000) that identified some kinds of coping related to the occurrence and maintenance of positive affect.

**Coping**

The term "coping" refers broadly to efforts to manage environmental and internal demands and conflicts among external demands (Lazarus, 1966). This definition focuses explicitly on efforts to manage; that is, on the dynamic constellation of thoughts and acts that constitute the coping process. The emphasis on what people are actually thinking and doing during a stressful encounter contrasts with the more dominant approach of understanding individual differences in response to stress.

There seems to be growing agreement among professionals (Lazarus, Averill and Opton, 1970; Murphy, 1974; White, 1974) that coping refers to efforts to master conditions of harm, threat or challenge when a routine or automatic response is not readily available. Environmental demands must be met with new behavioral solutions or old ones must be adapted to meet the current stress. As White (1974: 48-49) notes: “It is clear that we tend to speak of coping when we have in mind a fairly drastic change or problem that defines familiar ways of behaving, requires the production of new behavior, and very likely gives rise to uncomfortable affects like anxiety, despair, guilt, shame or grief, the relief of which forms part of the needed adaptation. Coping refers to adaptation under relatively difficult conditions”.

Lazarus (1975) has suggested a taxonomy of coping which emphasizes two major categories, direct actions and palliative modes.

Traditionally, palliative modes of coping have been viewed as pathological or maladaptive. But initially they can serve a positive function (Hamburg and Adams, 1967) in preventing a person from being overwhelmed by a threatening situation where the possibilities for direct actions are limited or of little use.

In general, palliative modes of coping may be damaging when they prevent essential direct actions but may also be extremely useful in helping a person maintain a sense of well-being and integration.

**Coping styles versus coping strategies**

Two different approaches to the study of coping have been pursued by various investigators. On the one hand some of them (Goldstein, 1973) have emphasized some general coping traits, styles or dispositions, while others (Cohen and Lazarus, 1973) have
preferred to study active, ongoing coping strategies in particular stress situations. The former approach, often used by researchers interested in the study of personality, assumes that an individual will use the same type of coping in most stressful situations. In contrast, those concentrating on active coping strategies prefer to observe an individual's behavior as it occurs in a stressful situation and then proceed to infer the particular coping processes implied by the behaviors.

Positive and Negative Affect

Positive affect includes pleasant emotions as joy, happiness, love, contentment, excitement, while negative affect includes unpleasant emotions as sadness, anger, fear, worry, anxiety and depression (Watson, Clark and Tellegen, 1988). Positive affect reflects the extent to which an individual is enthusiastic, alert and active.

High positive affect is a state of high energy, concentration, pleasurable engagement, whereas low positive affect is characterized by sadness and lethargy. Negative affect on the other hand is a general dimension of subjective distress and unpleasant engagement that subsumes a variety of aversive mood states such as anger, contempt, disgust, guilt, fear and nervousness. Low negative affect is a state of calmness and serenity (Watson, Clark and Tellegen, 1988).

The adaptation significance of negative affect has been extensively studied in terms of its motivational and attentional effects. Negative affect, for example, focuses attention on the problem at hand (Frijda, 1988) and is associated with specific evolutionarily adaptive forms of action (e.g., anger prompts the urge to attack, fear prompts the urge to flee; Frijda, 1986; Frijda, Kuipers, and Schure, 1989; Lazarus, 1991).

In comparison, there has been little discussion of the adaptational significance of positive affect. Early emotion theorists, when they considered positive affect at all, proposed that it served as a safety signal and was likely to lead to decreased vigilance and shallower processing of information compared with negative affect (Aspinwall, 1998; Fredrickson, 1998). If this were the case, positive affect would be maladaptive in the context of chronic stress because it would counteract the adaptive attentional and motivational effects of negative affect. However, theoretical and empirical works indicate that positive affect can have significant adaptive functions, both under normal conditions and under conditions of stress.
Coping that generates positive affect

In light of the evidence suggesting that positive affect has a significant adaptation function in the coping process, it becomes important to understand how positive affect is generated and sustained in the context of stress.

There were identified kinds of coping related to the occurrence and maintenance of positive affect: positive reappraisal, problem-focused (task oriented) coping, refocus on planning (Moskowitz, Folkman, Collette, and Vittinghoff, 1996), the infusion of ordinary events with positive meaning (Folkman, Moskowitz, Ozer, and Park, 1997) and social support (Kling, Seltzer and Ryff, 1997).

Positive reappraisal refers to cognitive strategies for reframing a situation to see it in a positive light (seeing a glass half full as opposed to half empty). It is akin to the concepts of benefit reminding (Affleck and Tennen, 1996) and downward social comparisons (Wills, 1981; Wood, 1989), both of which refer to cognitive coping strategies that enable the individual to appraise a difficult situation more positively. Positive reappraisal is often taught and encouraged in cognitive behavioural therapy (Fava, Rafanelli, Cazzaro, Conti, and Grandi, 1998), and it is assessed by many contemporary paper-and-pencil measures of coping (Billings and Moos, 1984; Carver, Scheier, and Weintraub, 1989; Folkman and Lazarus, 1988).

Problem-focused coping (task oriented) refers to efforts directed at solving or managing the problem that is causing distress. It includes strategies for gathering information, making decisions, planning, and resolving conflicts; it includes efforts directed at acquiring resources (e.g., skills, tools, and knowledge) to help deal with the underlying problem; and it includes instrumental, situation-specific, task-oriented actions (Lazarus and Folkman, 1984).

Problem-focused coping might not seem to have much to do with meaning; it is, after all, task focused and instrumental in its nature. Yet, problem-focused coping can be very meaningful. First, because it involves identifying situation-specific goals that engage the individual and focus his or her attention, and, second, because the enactment of problem-focused coping makes it possible for the individual to feel effective and experience situational mastery and control. Both of these meaning-based functions of problem-focused coping are critical for positive well-being (Carver and Scheier, 1998).

Refocus on planning refers to thinking about which steps to take in order to deal with the event or thinking up a plan to change the situation. The sense of mastery and control engendered by successful refocus-on-planning efforts helps explain people's reports of positive affect in the midst of their distress. In this sense, refocus on planning had three
positive outcomes: It focused attention, it generated a sense of mastery and control, and it resulted in the enactment of personal responsibilities (Carver and Scheier, 1998).

Social Support is the strategy referring to emotional support seeking from friends, family, colleagues and significant persons associated with emotional reaction in the stressful process (Kling, Seltzer and Ryff, 1997).

Several studies have shown that within individuals, positive and negative events tend to be moderately positively correlated (Headey and Wearing, 1989; Magnus, Diener, and Fujita, 1996) such that individuals who experience many negative events also experience many positive events. It may be that when a negative event occurs, the individual creates a positive event or interprets an otherwise ordinary event as positive as a way of offsetting the negative affective consequences of the negative event. Hobfoll (1998) commented that people are keyed to respond to the adverse sequel of loss by turning their attention to their resources and looking for positive aspects of their lives.

Taking into consideration the theoretical and empirical researches mentioned above our hypotheses were as follows.

a) The use of refocus on planning as a cognitive emotional coping strategy will have a positive relationship with positive affect.

b) The use of positive reappraisal as a cognitive emotional coping strategy will have a positive relationship with positive affect.

c) The use of task oriented as a cognitive behavioral coping strategy will have a positive relationship with positive affect.

d) The use of social support as an emotional coping strategy will have a positive relationship with positive affect.

Gender and Stress

In recent years, gender differences have been a focus of much of the writings and research on stress and health. The concept of gender consists of the way men and women are defined through cultural processes. The gender perspective has traditionally meant that men and women are seen as having natural, distinctive psychological and behavioural differences based on their sex.

A question often raised by researchers interested in gender is whether to concentrate on studying gender differences or to focus separately on men and on women. Some studies examine differences between the sexes; others emphasize the unique characteristics of each.

Findings arising from the study of men incorrectly are assumed to be true on women, as, for example the notion that the greater the quantity of one’s social contacts, the more
beneficial the effect on one’s health. Women lives may be overlooked, such as the emotional costs of social ties. Social policies and intervention strategies based upon studies of men may fail to address the needs of women. In both cases, the insights gained reveal more clearly how gender influences the stress process and our lives.

Females tend to report more distress than do males, but their distress symptoms tend to be at the less important end (Matuszek, Nelson and Quick, 1995). Men’s distress, in contrast, tends to be of a more dangerous nature. The gap in life expectancy between men and women is 8 years, favouring women; the researchers (Harrison, Chin and Ficarotto, 1989) attribute the early deaths to the masculine role. Men tend to internalize stress and are socialized to avoid asking for help with physical or psychological problems.

Not only one’s biological sex, but psychological and social meaning and consequences of being male or female are shown to affect each element in the stress process: the potentially stressful situations or conditions one encounters, the likelihood of perceiving these as stressful, the choice of coping responses.

**Gender differences and coping strategies**

From a conceptual aspect the speciality literature emphasizes that men tend to use problem-focused coping strategies, planned and rational actions and distractions, which refers to attempts to modify or eliminate the source of stressors by taking instrumental actions, such as devising plans and strategies (Jenkins, 1991). Women, on the other hand, gravitate toward emotion-focused strategy, which refers to control of stressor-related emotions and maintaining affective equilibrium. Some of these strategies are positive reappraisal and seeking social support. Women are more likely to use social support than men, and can especially benefit from support in the family and friends. Women’s health is related to the total number of supportive relationships they hold, and from support they receive from friends, colleagues and persons associated with emotional reaction in the stressful events (Kling, Seltzer and Ryff, 1997).

Empirical studies have found that, women more often seek social support and use emotion-focused coping, and that males are more likely to use problem-focused coping strategies than females, particularly in uncontrollable situations, and in situations requiring more information. (Ptacek, Smith, and Dodge, 1994; Lengua and Stormshak, 2000).

To shed light on these issues, Tamres et al. (2002) conducted a meta-analysis of research into gender differences in coping. Studies investigating relative coping showed that men were more likely to use problem-focused coping (relative to their use of emotion or avoidance focused strategies), whereas women were more likely to seek emotional support (in preference to using problem-focused or avoidant strategies).
Gender differences are well-established in coping and they follow typical lines: women ventilate emotions and seek social help, whereas men act and choose behavioural coping. Lengua and Stormshak (2000) found that women coped with stress by expressing their emotions and seeking social support and men by distractive means.

Based on all the researches mentioned above the hypotheses were:

a) Males will select more often distraction behavioral coping strategies then females

b) Positive reappraisal as a cognitive emotional strategy will have a stronger positive relationship with positive affect for females than for males.

c) Social support as an emotional coping strategy will have a stronger positive relationship with positive affect for females than for males.

d) Refocus on planning as a cognitive emotional coping strategy will have a stronger positive relationship with positive affect for males than females.

e) Task oriented as a coping strategy will have a stronger positive relationship with positive affect for males than females.

Method

Participants and procedure

The sample was formed from International students, because they can encounter many problems upon arrival as they adjust to new surroundings. Most commonly reported difficulties they experience include language barriers, academic demands, homesickness, loss of social support and status, decreased self-esteem, lack of study skills and lack of assertiveness (Pederson, 1991).

Emotions reflect the continuing nature of the personal adaptation with his/her environment and the way this is evaluated. The situation can be judged by him/her as either demanding, threatening, challenging or conductive to positive well-being (Lazarus, Averill and Opton, 1970).

Participants consisted of 80 international students randomly selected although evenly divided by gender. The subjects selected were 44% Europeans, 4% North Americans, 13% American Latinos and 39% Asian. Mean age was M=23.81 (range 19-36) standard deviation SD=3.7.

All the subjects completed anonymous questionnaires in the English language. Oral instructions were presented, including instructions for completing the surveys and the amount of the time required to complete the surveys.
Measures

*Coping Inventory for Stressful Situations* (CISS) by Endler and Parker (1999) is a 48-item measure of coping styles.

*Cognitive Emotion Regulation Questionnaire* (CERQ) by Garnefski, Kraaij and Spinhoven (2002) is a multidimensional questionnaire constructed in order to identify the cognitive coping strategies someone uses after having experienced negative events or situations.

*Positive and Negative Affect Schedule* (PANAS) by Watson, Clark and Tellegen (1988) is designed to measure subjective well-being. The alpha coefficients for the positive affect and negative affect scale were .73 and .76, respectively.

Results

We conducted a non-experimental research with a correlation design.

In table 1 are presented minimum and maximum of the scales their means and standard deviations of the variables. The variables were chosen according to findings from the previous studies in the literature.

**Table 1.** Descriptive statistic for the dependent variable: coping strategies

<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age</td>
<td>80</td>
<td>19</td>
<td>36</td>
<td>23.81</td>
<td>3.700</td>
</tr>
<tr>
<td>Task Orientation</td>
<td>80</td>
<td>32</td>
<td>75</td>
<td>56.51</td>
<td>10.418</td>
</tr>
<tr>
<td>Distraction</td>
<td>80</td>
<td>8</td>
<td>39</td>
<td>20.54</td>
<td>5.532</td>
</tr>
<tr>
<td>Social Support</td>
<td>80</td>
<td>7</td>
<td>25</td>
<td>15.54</td>
<td>4.072</td>
</tr>
<tr>
<td>Refocus on Planning</td>
<td>80</td>
<td>6</td>
<td>20</td>
<td>14.43</td>
<td>3.397</td>
</tr>
<tr>
<td>Positive reappraisal</td>
<td>80</td>
<td>6</td>
<td>20</td>
<td>13.84</td>
<td>3.531</td>
</tr>
<tr>
<td>Positive Affect</td>
<td>80</td>
<td>1</td>
<td>10</td>
<td>6.64</td>
<td>2.507</td>
</tr>
</tbody>
</table>

In order to measure the strength of the association between the two variables, strategy of coping as an independent variable and the positive affect as dependent variable Pearson’s Correlation Coefficient technique was used for investigating the relationship between the two variables.

Consistent with hypothesis 1a, this analysis reveals that refocus on planning was positively related to positive affect. For an alpha level of .05, calculated by the analysis program SPSS 13.0, the correlation between refocus on planning and positive affect was found to be statistically significant, \( r(78) = .518, p < .01 \).

Similarly, the use of positive reappraisal as a cognitive emotional coping strategy has a positive relationship with positive aspect.
The data provided support for hypothesis 1b. For an alpha level of .05, the correlation between positive reappraisal and positive affect was found to be statistically significant, \( r(78) = .362, p < .01 \). This indicates that the use of positive reappraisal as a cognitive emotional coping strategy has a positive relationship with positive aspect.

The findings provided support for Hypothesis 2a as well. For an alpha level of .05 the correlations between task oriented coping strategy and positive affect indicates that the strength of association between the variables is moderate, \( r(78) = .450 \), and the correlation coefficient is very highly significantly different from zero, \( p < .01 \). This implies that the use of task oriented as a cognitive behavioral coping strategy has a positive relationship with positive affect.

The data provided no support for Hypothesis 2b, correlation between social support as a coping strategy and positive affect was found to be statistically non-significant, \( r(78) = -.051, p < .651 \). This indicates that social support as a coping strategy and positive affect for this sample were not related.

The results did reveal significant gender differences between the strategies chosen and the Hypothesis 3a was confirmed. An independent sample test was performed comparing the mean for using distraction coping strategy for different genders where male (M=14.25, SD=3.28) and female (M=16.83, SD=4.40). This test found to be statistically significant \( t(78) = -2.964, p < 0.5 \). These results suggest that males will select distraction behavioural coping strategies more often than females.

A one-way within subjects ANOVA (analysis of variance) was conducted to compare the different types of coping strategies in group of male and female. The alpha level was 0.05. A significant main effect was found only for coping strategy social support \( F(1, 78) = 8.78, p < 0.05 \).

Hypothesis 3b was confirmed, there was a significant difference in the scores for positive reappraisal coping strategy and positive affect \( p < .05 \). This indicates that positive reappraisal as a cognitive emotional strategy has a stronger positive relationship with positive affect for females than for males.

Consistent the regression analysis data provided no support for the rest of the hypothesis regarding gender differences.

A Pearson Correlation Coefficient was computed to assess the relationship between positive reappraisal coping strategy and positive affect at females. Hypothesis 3b was confirmed. There was a significant difference in the scores for positive reappraisal coping strategy (M=14.40, SD=3.47) and positive affect (M=34.03, SD=6.84). There was a positive correlation between the two variables \( r(38) = .645, n=40, p < .01 \). This indicates that positive reappraisal as a cognitive emotional strategy has a stronger positive relationship with positive affect for females than for males.
Consistently, the data provided no support for Hypothesis 3c (table 9), correlations between social support and positive affect at females was found to be statistically non-significant, $r(38)=.039, p<.801$. This indicates that social support as a coping strategy and positive affect for females for this sample are not related.

The data provided support for Hypothesis 3d, table 9. For alpha level of .05 the correlation between refocus on planning coping strategy and positive affect is moderate, $r(38)=.461, p<.003$. Refocus on planning as a cognitive emotional coping strategy has a stronger positive relationship for males than females.

The findings provided support for Hypothesis 3. For alpha level .05 the correlation between task oriented coping strategy and positive affect was found to be statistically significant, $r(38)=.536, p<.01$. This indicates that task oriented as a coping strategy has a stronger positive relationship with positive affect for males than females for this sample.

**Conclusion**

The idea that coping may have positive utility parallels research highlights the role of positive beliefs in the promotion of health (Taylor, Kemeny, Reed, Bower, and Gruenewald, 2000). It is hypothesized in this article that coping strategies are related to positive outcomes important to the promotion of health and well-being.

In line with Folkman and Moskowitz (2000), it is argued that by broadening models of stress and coping to include positive affect, it is possible to change the kinds of questions psychologists ask about coping, its functions, its determinants, and outcomes.

The focus on positive coping is important because it locates the focus away from merely responding to negative events toward a broader range of risk and goal management that includes active construction of opportunities and the positive experience of stress (Schwarzer and Knoll, 2003).

The interest in positive outcomes of different coping strategies is a welcome development, recognizing that healthy coping should enhance positive aspects of well-being as well as reducing distress. So far, coping strategies showing this effect have generally been studied individually or have not been explicitly differentiated. Because the several “positive coping” strategies rely on different mechanisms, however, research examining their differences is at least as critical for theoretical development as research examining their similarities.

The findings of the present research provide insights into understanding which coping strategies are used to deal with stress tend to generate positive affect and what are the gender differences.
Consistent with rational perspective cognitive emotional coping strategies as refocus on planning, positive reappraisal and task-oriented strategies have a positive relationship with positive affect. Positive reappraisal involves strategies for reframing an event to see it in a more positive light. How an individual copes with a stressful experience depends upon how it is interpreted with respect to the significance of the stressful situation for him or her (Lazarus, 1991).

Refocus on planning and task oriented coping strategies refers to efforts, which are aimed to solve problems, which causes stress. It involves various skills as collecting information, decision-making, planning and conflict resolution. These skills are used to solve the problems in an instrumental, situation specific and problem focused manner (Lazarus and Folkman, 1984). It involves identifying situation specific goals that engage an individual attention. It requires giving up goals that are no longer tenable and to substitute them and pursue other goals, which are tenable and realistic to achieve. In this way the person has the perception of controlling the situation and it leads to positive emotions. These findings, which were consistent with prior research (Affleck and Tennen, 1996; Carver and Scheier, 1998), demonstrate that reframing a situation to see it in a positive light and refocus on planning, gathering information, making decisions efforts helps people express reports of positive affect.

Contrary to expectations based on theoretical and methodological approaches regarding social support coping strategy that help to maintain the psychological well-being of the individual (Cobb, 1976; Kling, Seltzer and Ryff, 1997) the social support and positive affect were not related just for the female participants. The explanation for these results, however, is unclear. Although speculative, it is possible that for international students to cope with stress when they are far away from their family and friends tend to be self-sustaining and to be able to maintain them by independent effort. Females give priority to positive reappraisal, which create a positive event or interprets an otherwise ordinary event as positive as a way of denying the negative event, in this way experiencing positive affect.

Coping processes generate positive effects and meanwhile the occurrence of positive affects refers to the effects of coping strategies. While males use refocus on planning and task oriented coping strategies which are oriented to help to deal with the underlying problem, these include instrumentals and situation specific actions that can solve the problem and also create a positive affect.

The finding that task-oriented coping strategy is related with positive affect in men; while positive reappraisal is related with positive affect in women is noteworthy. It is plausible that behavioural coping, with many elements of task oriented, is more typical for men to use to alleviate stress whereas emotional coping such as social support is more typical for
women to use, although there were no significant differences in the scores of task oriented between men and women.

But there were significant differences between men and women for social support coping strategy. Women are more effective in the interpersonal arena, whereas social support may contradict men’s gender role. Prohibitions of emotional expressions, in conjunction with rules involving aggression, power, and control, do not facilitate a wider range of coping behaviours for men (Greenglass and Noguchi, 1996).

There are a number of limitations restricting generalization of this study. First is the small sample size and lack of randomization and further studies that include larger, random samples are needed. Furthermore, the study is based on self-reported information, rather than a study of actual behaviours, and participants may have answered questions in a socially desirable manner to avoid the stigma associated with admitting personal inadequacies.

Second, this study is the first to test the relationship between coping and positive affect using international students participants. Although, in general, cultural differences have been found conceding affect (e.g., Kitayama and Markus, 1994; Kitayama and Masuda, 1995), this remains as an open question for future studies. European students represent 44% versus Asians 39% and this also could influence on the results of the study. Our sample of international students limits the capacity to generalize the results to a wider population. Lastly, we need to indicate the necessity of intervention studies.

This study could have implications for academic assistance and orientation programs for international students, study abroad programs, and institutions receiving exchange students. Apparently there is a gender difference in stress coping strategies that could lead to positive affect. The findings suggest which coping strategies promote psychological well-being, and indicate people can learn how to generate and sustain positive affect in the midst of stress.

**Literature**


Returns on Foreign Liabilities in Emerging Market Economies: Reasons for Countries’ Differences and Implications

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The aim of the research is to analyze the recent developments in rates of return on external liabilities and their subcomponents, compare the cross-country differences in the rates of return and see how rates of return on foreign liabilities influence external imbalances in CEE countries. This will assist in providing policy recommendations for the optimization of the external positions of the countries.

Introduction

External imbalances that occur in emerging market economies raise important questions about the stability of financial systems in these countries. Namely, the question whether persistent current account deficits and external debt levels are sustainable in some countries requires a detailed study to assess external economic stability.

Particular attention is paid to the countries which during the period of economic transformation to a market economy accumulated large external imbalances, which primarily include the countries of Central and Eastern Europe (CEE). Strong economic growth was accompanied by a significant inflow of foreign capital that financed current account deficits of the countries and caused substantial accumulation of external liabilities.

The sustainability of capital flows that finance current account deficits of countries requires a detailed analysis to identify potential threats to financial stability. Many existing studies on the capital flows to CEE countries focus on the analysis of the dynamics and structure of foreign investments. However, insufficient attention in the literature is paid to the impact of income yields and rates of return on foreign investment upon the dynamics of external positions of the countries.

Investment attractiveness of the countries can be explained by the possibility of obtaining high returns on investments. High yields on investments to emerging markets may
be the lure for long-term capital inflows, which support the existing large external imbalances accumulated by the countries – at least until the yields will be higher than other investment opportunities.

For countries that attract significant amounts of foreign capital, there arises an important issue: with larger outflows of investment income and principal repayments over time, borrowing countries should run trade surpluses which will stabilize their net external positions relative to the size of the economy. The size of the required trade surpluses depends not only on the accumulated liabilities and the rate of economic growth, but also on the expected rate of return on foreign assets and liabilities of the country, which will be strongly influenced by the composition of its international investment position.

Thus, the aim of the research is to analyze the recent developments in rates of return on external liabilities and their subcomponents, compare the cross-country differences in the rates of returns, highlight the determinants of returns on foreign liabilities, and see how rates of return on foreign liabilities influence external imbalances in emerging market economies. This will assist in providing policy recommendations for the optimization of the external positions of the countries.

**Approaches to returns calculation: literature review**

For most financial instruments there are two distinct channels of returns: the first one is the *investment income channel*, taking the form of dividend or interest payments. Investment income is recorded in the income balance of the balance of payments. The second channel is the *capital gains channel* which reflects changes in the price of the financial assets expressed in the domestic currency of the investor. Capital gains may therefore result from changes in the market price of the asset as well as from changes in exchange rates (Bracke and Schmitz, 2010).

The recent literature on the dynamics of net foreign assets emphasises the impact of valuation effects for the sustainability of external positions. As regards the asset-price channel, the outperformance of the domestic equity or bond market produces a deterioration of the net external position. The impact of the exchange rate channel depends instead on the “net” foreign currency external position. Milesi-Ferretti and Lane (2007) point out that in larger advanced economies, assets tend to be denominated in foreign currency and liabilities mostly in domestic currency and, consequently, an unexpected exchange rate depreciation will increase the domestic-currency rate of return on external assets and hence improve the net foreign asset position. Those same “valuation effects” that help the United States stabilize its external position led to deterioration of the external balances of emerging market countries. For emerging markets that are net debtors and whose external liabilities are
primarily denominated in foreign currency, real exchange rate depreciation raises the domestic-currency burden of foreign liabilities. For CEE countries, external assets are typically denominated in foreign currency, while the equity component of external liabilities (FDI and portfolio equity) is domestic-currency-denominated. Therefore the implications of exchange rate depreciation for the value of the external position is ambiguous – it is likely to be negative for countries with a large stock of foreign-currency-denominated external debt, but it can be positive if the country's foreign assets exceed foreign-currency debt liabilities.

Unexpected exchange rate depreciation has conflicting effects for a typical emerging market economy – although its trade balance will eventually improve, its net foreign asset position may deteriorate if it is a net debtor in terms of foreign currency instruments. This conflict between the trade and valuation channels helps explain why emerging market economies are concerned about exchange rate volatility and why it is so difficult to determine appropriate exchange rate policies, especially during times of crisis.

Thus, the return on foreign investment can be written as

\[ \text{Ret}_t = \text{Inc}_t + \text{KG}_t \]  

where Ret\(_t\) is a return which consists of investment income, Inc\(_t\), and capital gains, KG\(_t\). As noted by Milesi-Ferretti and Lane (2003), most of the return on equity instruments (FDI and portfolio equity investments) comes through capital gains, and yields are relatively small. However, investment income flows (that enter in the current account) include only yields, but do not include capital gains. A corollary of this observation is that the current account is becoming less and less indicative of changes in countries’ external position, since it ignores such valuation changes.

Before turning to a description of estimation issues in relation to individual categories on the international balance sheet, it is useful to clarify the nature of the IMF balance of payments and international investment position (IIP) data which are the main source for constructing returns database. International investments liabilities are classified into the following broad categories: foreign direct investment, which refers to equity participations above 10 percent; portfolio investment, subdivided into equity securities and debt securities (including bonds and money market instruments); other investment (which includes debt instruments such as loans, deposits, and trade credits); financial derivatives. For each of these broad categories, balance of payments data measure net capital inflows and outflows during a recording period, and the IIP data measure the stocks of external assets and liabilities at the end of the recording period.

As proposed by Milesi-Ferretti and Lane (2003), the method of constructing the components of total returns on foreign investments is as follows: investment income payments in US dollars related to asset-type X in year t are defined as \( ID^X_i \), where ID stands
for income debits and is derived from the current account item “investment income”. US dollar yield on liabilities is:

\[ yd_{t}^{x} = \frac{ID_{t}^{x}}{XL_{t-1}}, \]  

(2)

where XL are the country’s stocks of external X-type liabilities (which come from the international investment position data).

The year t capital gain on asset X is given by the difference between the change in the stock of X between t and t-1 and the underlying flow x during year t, divided by the initial stock of X:

\[ kd_{t}^{x} = \frac{XL_{t} - XL_{t-1} - x_{t}}{XL_{t-1}}, \]  

(3)

where kd – capital gain on liabilities.

Finally, the nominal rate of return on liabilities is:

\[ retd_{t}^{x} = (1 + yd_{t}^{x})(1 + kd_{t}^{x}) - 1 \]  

(4)

Real yields and real rates of return are obtained by deflating nominal US dollar returns by the US rate of inflation.

It is important to note that the aggregate return on the (asset or liability) position is a weighted sum of the returns on the various components of the investment position:

\[ r_{it} = \sum_{j} w_{ij} r_{ij} \]  

(5)

so, the aggregate rate of return depends on (i) the returns in each investment category; and (ii) the proportions invested in the different components.

**The main stylized facts: external imbalances and dynamics of the rates of returns in selected CEE countries**

The literature on the rates of return earned on foreign assets and liabilities is very shallow and focuses mostly on the developed countries. Thus, this research is innovative in constructing such rates of return and analyzing their dynamics for emerging market economies. First, the evidence of selected CEE economies is shown with the aim of highlighting possible patterns in the evolution of external positions and rates of return on foreign liabilities. Subsequently, a complete and systematic assessment of the whole sample of countries will be presented.

**Trends in external positions**

The net international investment position has been deteriorating for all CEE countries in the recent years, making these countries highly exposed to international financial markets environment. The high degree of indebtedness can be seen from the ratio of net liabilities to
GDP (see Figure 1). The worst situation is in Hungary, for which net foreign liabilities amount to 129% of GDP in 2009, and in Bulgaria – 115% of GDP. Net liabilities amount to 69% of GDP in Slovak Republic, 66% in Romania, 65% in Poland and 45% of GDP in Czech Republic in 2009.

Figure 1. Net International Investment Position (in % of GDP)

Compared to other countries from the region Bulgaria stands out to have the most important role of the foreign capital in the economy. The ratio of the liabilities of Bulgaria, controlled by foreign investors through FDI, amounts to 100.2% of GDP in 2010, having increased from 84.9% of GDP in 2008, according to the UNCTAD World Investment Report 2011. It is followed by Hungary with inward FDI stock ratio to GDP amounting to 71%, and Czech Republic – 67.6%, which is also quite substantial, but not as high as in Bulgaria. The same ratio for other countries is much lower: for, Slovakia – 58.1%, Romania 43.9% of GDP, and Poland is just 41.2% of GDP.

The external debt of CEE countries reached levels that give rise to serious concerns about the risks for their financial stability. The external debt ratio (relative to GDP) can be used as a measure of the vulnerability of the economies to changes of the external value of their currencies. As a result of capital inflows, a large stock of foreign debt was accumulated: as it can be seen from Figure 2, Bulgaria and Hungary have external debt levels above 100% of GDP. For Bulgaria, up to 97 percent of debt was denominated in foreign currency in 2011 Q3 according to the World Bank quarterly external debt statistics.

For Hungary, foreign currency debt amounts to 79% of the total external debt, Romania – to 89%. In such situation a depreciation of the national currency can have a dramatic impact on the debt service these countries have to bear, what in particular
happened in Hungary, where as a consequence of the Forint huge depreciation in 2008, the external debt level surged to over 150% of GDP in year 2009.

Figure 2: Gross External Debt as a percentage of GDP

The large current account deficits in CEE countries were the result of substantial capital inflows. Compared to the Visegrad Group countries, Bulgaria and Romania experienced huge current account (CA) deficits amounting to more than 10% of GDP in 2006-2008. Before the 2008 crisis the CA balance was negative, reflecting not only the trade deficits, but also a negative balance on investment income as the NIIP gets more and more negative. In Hungary the main component contributing to the negative CA was negative investment income of US$10.9 billion (98% of CA) in 2008. In Bulgaria and Romania the main component of negative CA were trade deficits, amounting to US$12.6 billion and to US$28.2 billion respectively. In Poland both large trade deficit and negative investment income constituted CA deficit. In Czech and Slovak Republics the CA deficits are much more sustainable, compared to other CEE, with income balance contributing to negative CA.

Starting from 2008 all the countries except Czech Republic experienced the so-called current account reversals. Especially strong CA adjustment took place in Hungary and Bulgaria: Hungarian CA for the first time became positive, in Bulgaria CA deficit shrank from 23% of GDP in 2008 to 10% of GDP in 2009.

The analysis of the sources and composition of capital inflows and external indebtedness that affect the current account sustainability shows that countries in the region have become dependent on Western financial capital, which in the wake of 2008 global financial crisis led to their vulnerability. Along with the growth of banking and corporate external borrowing of the countries, the current account deficit of balance of payments rapidly increased to the unsustainable levels, which after facing a “sudden stop” led to the CA
reversals and devaluations of national currencies. It is clear that the CEE countries will have to run future surpluses on their balance of goods, services and transfers to stabilize their net external position. However, CEE countries are not a homogenous bloc. Hungary, Bulgaria and Romania, in particular, have followed similar boom-bust trajectory: external imbalances in these countries rivalled, and in some cases exceeded the maximum allowable threshold of imbalances. Current account deficits in Romania, Bulgaria were well over 10% of GDP in 2008. Bulgaria operates a fixed exchange rate system and a key concern is whether crisis would shake confidence in Bulgaria’s currency board and strong intention to join euro area. Romania and Hungary may have flexible exchange rates, however, they have needed IMF-led rescue packages. Given the large trade deficits Bulgaria and Romania are currently running, the required shift in trade balance to stabilize their net external position is substantial. Other countries in the region – the Czech Republic, Poland, Slovakia – also built up substantial imbalances in recent years. Nevertheless, their imbalances never reached the same proportion as those of Hungary, Bulgaria and Romania.

**Analysis of the rates of return**

Before constructing rates of return for each of the CEE countries, an aggregate comparison with the eurozone region is made within the framework of liabilities composition and net investment income to GDP ratios.

The literature on financial flows makes a distinction between FDI and portfolio equity flows, on the one hand, and debt (which comprises portfolio debt and other investments) on the other (Bracke and Schmitz, 2010). It is generally believed that the former types of flows generate more of the indirect benefits of financial integration and also have fewer risks than debt. More generally, equity allows for more favourable risk sharing, given that foreign investors bear part of the country risk in the event of negative shock (the value of equity declines, while the value of debt increases with respect to GDP in case the crisis is associated with a real depreciation.) A second related issue has to do with the cost of servicing external liabilities. Insofar as equity and FDI investment require a risk premium with respect to the rate of return on external debt, their servicing will be more expensive.

The rapid increase of investments in equity instruments up to 55% of the total liabilities of the CEE countries since their accession to the EU was accompanied by an increase in investment income payments and deterioration of the income balance of the current account to GDP ratios of these countries (see Figure 3). While in the eurozone with a smaller share of the equity instruments of 40% in total liabilities there was observed a better performance of investment income compared to the CEE countries. In both groups the net investment income is negative throughout the considered period, but if the level of the
Euro area income to GDP is not exceeding -1% of GDP, for the CEE the investment income continuously deteriorated and in 2010 was -4% of GDP.

**Figure 3: Share of equity in total liabilities (%) and net income of the current account (% of GDP) of CEE and eurozone countries, 1999-2010**

Source: *Economist Intelligence Unit, Balance of Payments Statistics, own calculations*

It is important to consider the structure of the equity liabilities: for CEE countries FDI significantly prevail over portfolio investment in equity and account for about 90% of the equity instruments liabilities. The low level of portfolio investment in equity is connected with relatively poor development of capital markets and corporate governance in these countries. In the eurozone FDI is about 50% of all equity-liabilities, which indicates equal distribution of FDI and equity portfolio investment.

The heavy weighting of FDI in the composition of the CEEC's external liabilities has a number of interesting implications. First, FDI have attractive risk-sharing properties in that the return to the foreign investor is not fixed but rather depends on the performance of the investment and, thus, is procyclical. In this way, by shifting risk to the foreign investor, the CEE countries may have been able to run larger current account deficits than would otherwise have been possible, accelerating the convergence process. According to Milesi-Ferretti and Lane (2007) the regression analysis shows that over the last decade there is a strong correlation (0.5) between gross equity inflows and current account deficits for emerging markets, whereas the correlation is negligible for advanced economies. As will be analyzed further below, there is a cost of higher return that must be paid to the foreign investor such that a smaller fraction of the income from FDI-financed projects is captured by domestic residents.
Now we turn to the analysis of the returns on foreign liabilities in Hungary, Bulgaria, Romania and Ukraine. The choice of the countries is due to the fact that they are neighbors with a similar structure of the balance of payments, economic cooperation among them is growing, and the experience of Hungary, Bulgaria and Romania can be useful for Ukraine’s possible integration to the EU in future.

Aggregate yields, capital gains and total returns are calculated using formulas (1), (2), (3) accordingly from part 2. The yields are more stable compared to total return. This is due to the fact that total return includes the capital gains. The capital gains are very volatile. This trend is observed in all of the countries except Ukraine (see Table 1).

Table 1: Yields and returns on external liabilities in CEE countries and Ukraine, 2006-2010.

<table>
<thead>
<tr>
<th>years</th>
<th>Bulgaria Return</th>
<th>Bulgaria Yield</th>
<th>Hungary Return</th>
<th>Hungary Yield</th>
<th>Romania Return</th>
<th>Romania Yield</th>
<th>Ukraine Return</th>
<th>Ukraine Yield</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>-4%</td>
<td>3%</td>
<td>2%</td>
<td>5%</td>
<td>0%</td>
<td>2%</td>
<td>5,4%</td>
<td>4,4%</td>
</tr>
<tr>
<td>2009</td>
<td>5%</td>
<td>3%</td>
<td>12%</td>
<td>6%</td>
<td>13%</td>
<td>3%</td>
<td>9%</td>
<td>4,8%</td>
</tr>
<tr>
<td>2008</td>
<td>-3%</td>
<td>6%</td>
<td>4%</td>
<td>8%</td>
<td>1%</td>
<td>7%</td>
<td>2,9%</td>
<td>5,9%</td>
</tr>
<tr>
<td>2007</td>
<td>16%</td>
<td>11%</td>
<td>21%</td>
<td>10%</td>
<td>24%</td>
<td>10%</td>
<td>7,5%</td>
<td>5,6%</td>
</tr>
<tr>
<td>2006</td>
<td>20%</td>
<td>9%</td>
<td>52%</td>
<td>10%</td>
<td>31%</td>
<td>11%</td>
<td>6,6%</td>
<td>5,4%</td>
</tr>
</tbody>
</table>

Source: Author’s calculations

Total return of foreign investors in CEE countries reached very high rates in the pre-crisis years: in Hungary and Romania exceeding 20% in 2006-2007.

In Hungary, the largest total returns received by foreign investors for the period from 2006 to 2010 - 52% - was observed in 2006, and as it can be seen from the table, yield was only 10%, the rest of the return was associated with capital gains. In 2006, Hungary’s foreign direct investment liabilities doubled: from US$ 61 billion in 2005 to US$119.8 billion. However, in 2006 only US$ 19.5 billion came to Hungary through FDI channel of the financial account of balance of payments. That is, there was a growth of value of FDI assets controlled by foreign investors in Hungary up to 64% or US$39 billion. Also during 2006 year there was an increase in value of the portfolio and other investments by US$ 12.4 billion. That altogether amounted to US$56.7 billion valuation growth in of external liabilities of Hungary.

In Romania the highest return of 31% obtained by foreign investors was also observed in 2006, as in Hungary and Bulgaria. Yield on foreign investments amounted to only 11% of total return and 20% earned by foreign investors was due to the valuation of their acquired investment assets. Again, this growth took place through FDI, the value of which increased by 32% in 2006 compared to 2005.
In Ukraine, the situation is somewhat different with the return of foreign investors. The total return did not show such volatility in the pre-crisis years, as in CEE. One factor is the small role of valuation effects in Ukraine compared to the CEE countries. The yields on investment, i.e. the ratio of current investment payments to liabilities, were the major part of profits of foreign investors. When in 2006 and 2007 returns in Bulgaria, Hungary and Romania reached double digits, in Ukraine return of foreign investors was modest 6-7%. It should be noted that in 2008 and 2009 the role of valuation was significant, which was due to the increasing value of “other investments liabilities” of the government and monetary authorities (although in 2008 their weight in total liabilities was not substantial, that is why it was not reflected in total return). In 2008, the growth of value of liabilities of the government and monetary authorities amounted to US$ 4.28 billion, or increased by 87%. In 2009 there was a growth of value of other investments by 5.6 billion. Getting the loan from the IMF in 2009 by the government and monetary authorities amounted to only US$2.27 billion through the financial account of the balance of payments, while the observed increase in external liabilities of these institutions was US$6.5 billion. That means the valuation of public external debt was by US$4.23 billion, or 43% in 2009.

It should be noted that public external borrowing is accompanied by significant currency risk. In case of depreciation, the cost of servicing the foreign currency debt obligations increases. That is why during the crisis the value of government foreign liabilities increased dramatically in Ukraine. In the second half of 2008 foreign exchange risks of public debt of Ukraine reached unacceptably high levels. Since the beginning of 2008 the official rate was 5.05 UAH per USD, and as of 31.12.2008 - 7.7 UAH per USD. The growth of external public debt (in UAH equivalent) amounted to 31.4 billion only due to the growth of foreign currencies exchange rates in 2008. In the same proportions there was an increase of interest payments on the debt denominated in foreign currencies. Also, the increase of external public liabilities was due to receipt of SDR from the IMF which are reflected in the liabilities of government.

The results of this initial stage of research show that during 2006-2009 Ukraine was less attractive to foreign investors, than CEE countries in terms of possibility of obtaining high returns on investments. This is explained by the fact that Hungary as already a member of, and Bulgaria and Romania at the point of entering the EU, were experiencing high growth, which was accompanied by full liberalization of capital flows and high capital inflows from Western Europe. The stock markets were experiencing booms and this allowed foreign investors to rip high returns which amounted to double digits. When the crisis hit, however, the returns which were due to the stock markets growth became very low and even negative in Bulgaria. Thus, valuation channel was of high importance for CEE countries. It should be noted that in 2010 the valuation effect was almost negligible for all the countries, but the yield
of foreign investors was positive, which is explained by increased income payments on debt liabilities.

Further analysis is done to explore the patterns of returns on each investment category of the liabilities. It should be noted that although aggregate returns can show the general picture of the cost of servicing external liabilities, they are not very informative about returns gained by foreign investors on individual investments types, since the weight of individual investment categories varies a lot. Figure 5 and Table 2 provide detailed return series dynamics and statistics (see appendix).

It is proved for all the countries under consideration that with equity and FDI investment requiring a risk premium with respect to the rate of return on external debt, their servicing will be more expensive. The means of the return series are in major cases higher for equity and FDI investment than for debt investment types. The range of the return series is higher for portfolio equity investments, for Hungary maximum return taking value 60% and minimum -43%. The highest volatility is also displayed by Hungarian portfolio equity.

There is a correlation observed between returns on similar investment instruments among the countries, which implies the comovement between the markets. This seems plausible as these countries share high trade activity and their economies follow similar growth paths. Significantly high is the correlation between Hungarian and Romanian returns on foreign investments. For Bulgaria and Romania there is almost no correlation between return series.

Now, to test the hypothesis that the cost of servicing external liabilities is an important factor causing external imbalances in CEE countries, the vector autoregression (VAR) framework is chosen since it provides a systematic way to capture the rich dynamics in multiple time series as argued by Stock and Watson (2001). Specifically, to provide evidence on the dynamic interactions between the external debt and the returns on foreign investment liabilities of the CEE countries, the following VAR systems are estimated to test Granger non-causality:

$$ED_t = \alpha_1 + \sum_{i=1}^{p} \beta_{1i} RET_{t-i} + \sum_{i=1}^{p} \gamma_{1i} ED_{t-i} + \varepsilon_{1t},$$

$$RET_t = \alpha_2 + \sum_{i=1}^{p} \beta_{2i} ED_{t-i} + \sum_{i=1}^{p} \gamma_{2i} RET_{t-i} + \varepsilon_{2t},$$

(6)

Where ED and Ret and $\varepsilon$ denote the growth of total external debt to GDP ratio, return on individual investment category and error term respectively; $\alpha$ is a constant term; $\beta$ and $\gamma$ denote the coefficients to be estimated, $p$ is the lag order selected. The null hypothesis of Granger non-causality from Ret to ED and from ED to Ret are $\beta_{1i}=0$ and $\gamma_{2i}$.
The rejection of the null hypothesis of the Granger non-causality from Ret to ED implies that the past returns can help predict the external debt, and vice versa.

The model is estimated as follows. First, an unrestricted VAR is estimated. Then Granger causality testing is performed. The optimal number of lag length was chosen by looking at AIC and SIC criteria. The stability of VAR was checked: all AR roots are inside the unit circle and Autocorrelation LM test states that no serial correlation in the residuals was detected. All returns and debt series are I(0). Quarterly data are used, taken from the International Financial Statistics and Balance of Payments statistics of the International Monetary Fund and World Bank Quarterly External Debt Statistics.

Since the variable of interest is ED, the results of the Granger causality among other variables are not reported for the sake of space. The results are presented in the Table 3. It can be seen that among CEE different types of the returns Granger-cause ED. In most cases it is Portfolio equity returns which have impact on ED. In Hungary ED is also caused by debt returns of foreigners, which makes sense. In Romania ED is caused by FDI returns.

**Table 3: Granger causality test for External debt growth and all types of returns**

<table>
<thead>
<tr>
<th>Country</th>
<th>Dependent variable</th>
<th>Lagged variables</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Hungary (2000Q2 2011Q3)</td>
<td>ED</td>
<td>FDI return</td>
<td>1.52 (0.46)</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Portfolio Equity return</td>
<td>19.7 (0.00)(^{a})</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Portfolio Debt return</td>
<td>21.0 (0.00)(^{a})</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Other Investment return</td>
<td>5.24 (0.07)(^{c})</td>
<td></td>
</tr>
<tr>
<td>Bulgaria (2004Q1 2010Q4)</td>
<td>ED</td>
<td>FDI return</td>
<td>3.14 (0.20)</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Portfolio Equity return</td>
<td>7.50 (0.02)(^{b})</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Portfolio Debt return</td>
<td>0.13 (0.93)</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Other Investment return</td>
<td>1.61 (0.44)</td>
<td></td>
</tr>
<tr>
<td>Romania (2002Q1 2010Q3)</td>
<td>ED</td>
<td>FDI return</td>
<td>10.46 (0.00)(^{a})</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Portfolio Equity return</td>
<td>7.92 (0.04)(^{b})</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Portfolio Debt return</td>
<td>5.24 (0.15)</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Other Investment return</td>
<td>1.80 (0.40)</td>
<td></td>
</tr>
</tbody>
</table>

Note: ED denotes external debt growth. Behind the country name the sample range is listed in parentheses. The numbers in the parentheses beside the Wald statistics are the P-values: a,b,c represent the 1%, 5%, and 10% significance levels, respectively. Since the variable of interest is ED, the results of Granger causality among other variables are not reported.

When assessing the overall quantitative performance of the presented results it must be noted that one possible weakness stemming from the quality of the data is present – the limited length of the time series due to the availability of the data on external indebtedness of the CEECs only from 2000’s. Nevertheless, the obtained results will allow making a number of relevant policy recommendations which will come up later after studying closer all the aspects of the impact made upon external imbalances of the CEE countries by cost of servicing their external liabilities and related factors (valuation effects, exchange rates, stock market behavior and other).
Appendix

Figure 4: Returns on investment liabilities, 2000-2011

FDI returns

Portfolio Debt returns

Portfolio equity returns

Other investments returns

Bulgaria

Hungary

Romania

Bulgaria

Hungary

Romania

Bulgaria

Hungary

Romania

Bulgaria

Hungary

Romania

Bulgaria

Hungary

Romania
### Table 2. Returns series statistics

#### Returns on other investments

<table>
<thead>
<tr>
<th></th>
<th>Romania</th>
<th>Hungary</th>
<th>Bulgaria</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mean</td>
<td>0.01</td>
<td>0.02</td>
<td>0.01</td>
</tr>
<tr>
<td>Maximum</td>
<td>0.10</td>
<td>0.22</td>
<td>0.12</td>
</tr>
<tr>
<td>Minimum</td>
<td>-0.06</td>
<td>-0.07</td>
<td>-0.15</td>
</tr>
<tr>
<td>Std. Dev.</td>
<td>0.03</td>
<td>0.05</td>
<td>0.07</td>
</tr>
<tr>
<td>Skewness</td>
<td>-0.21</td>
<td>1.08</td>
<td>-0.40</td>
</tr>
<tr>
<td>Observations</td>
<td>43</td>
<td>44</td>
<td>30</td>
</tr>
</tbody>
</table>

#### Portfolio debt returns

<table>
<thead>
<tr>
<th></th>
<th>Romania</th>
<th>Hungary</th>
<th>Bulgaria</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mean</td>
<td>0.04</td>
<td>0.02</td>
<td>0.02</td>
</tr>
<tr>
<td>Maximum</td>
<td>0.26</td>
<td>0.15</td>
<td>0.44</td>
</tr>
<tr>
<td>Minimum</td>
<td>-0.13</td>
<td>-0.11</td>
<td>-0.25</td>
</tr>
<tr>
<td>Std. Dev.</td>
<td>0.07</td>
<td>0.06</td>
<td>0.10</td>
</tr>
<tr>
<td>Observations</td>
<td>43</td>
<td>44</td>
<td>30</td>
</tr>
</tbody>
</table>

#### Correlation matrix

<table>
<thead>
<tr>
<th></th>
<th>Romania</th>
<th>Hungary</th>
<th>Bulgaria</th>
</tr>
</thead>
<tbody>
<tr>
<td>Romania</td>
<td>1.000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hungary</td>
<td>0.835</td>
<td>1.000</td>
<td></td>
</tr>
<tr>
<td>Bulgaria</td>
<td>-0.065</td>
<td>0.007</td>
<td>1.000</td>
</tr>
</tbody>
</table>

All returns are I(0) and no autocorrelation detected.

#### Portfolio equity returns

<table>
<thead>
<tr>
<th></th>
<th>Romania</th>
<th>Hungary</th>
<th>Bulgaria</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mean</td>
<td>0.03</td>
<td>0.06</td>
<td>-0.01</td>
</tr>
<tr>
<td>Maximum</td>
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All returns are I(0) and no autocorrelation detected.
Literature


Nostalgia for the Soviet Past as Claim-making for the Future: the Case of Ukrainian Professional Public Sector Workers

Anastasiya Ryabchuk
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In this paper I discuss the widespread social dissatisfaction with the economic situation and widening inequalities in Ukraine, analyse the reasons for nostalgic sentiments towards the Soviet past, as well as possibilities for future-oriented collective action to ensure a more just social order based on the principles of shared responsibilities. I begin by presenting some of the negative trends of widening inequalities and a paralysing pessimist view towards the future. I then look at the opportunities for an active engagement with the past and collective reinforcement of social rights over economic profit. I conclude by showing that in the absence of alternative discourses of transition, expressing one's suffering with others around the ‘better’ (albeit imaginary) past is one of the few possibilities to create more open and critical accounts of economic change taking place in post-soviet space.

Introduction

The Soviet Union’s collapse and subsequent economic reforms in Ukraine brought considerable debate about the consequences of transformation. Some Ukrainians welcomed the transition to capitalism; for others emerging poverty and social inequalities proved the injustice of free-market economy. The so-called ‘shock without therapy’ caused social suffering for millions of post-communist citizens who became the ‘losers’ of economic reforms (Lane, 1995: xvi-xvii). Nostalgia for the Soviet past became widespread; first of all in regard to the functioning of institutions (government and private entrepreneurs were the main objects of critique, as failing to guarantee fair redistribution of economic resources, to narrow down inequalities and support the vulnerable social categories), but also in regard to dominant social values (criticizing individualism and struggle for private gain at all cost, in contrast to the “soviet” value of relative equality in material living conditions and life chances).

According to the BBC World Service global poll “Twenty years after the fall of Berlin wall” (2009)18 most Ukrainians were very pessimistic about free market capitalism with only 6% saying that it works well as it is 55% arguing for the need to reform the capitalist system,

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18 Results are drawn from a survey of 29,033 adult citizens across 27 countries, conducted for BBC World Service by the international polling firm GlobeScan together with the Program on International Policy Attitudes (PIPA) between 19 June and 13 October 2009. The report can be accessed at: http://www.worldpublicopinion.org/pipa/pdf/nov09/BBC_BerlinWall_Nov09_rpt.pdf
and one third suggesting that a different economic system is needed. While 27% believed that the disintegration of the Soviet Union was a good thing, the majority (54%) believe that it was mainly a bad thing. 75% of respondents “favour a more active role for the government in owning or controlling major industries”, 54% “support more government regulation of business” and 80% “want the government to play a larger role in distributing wealth evenly”.

The results of this poll show that dissatisfaction with free-market capitalism is widespread across the globe, with only one in ten respondents saying “that it works well and that greater regulation is not a good idea”. In 22 out of 27 countries more than two thirds of citizens want a more equal redistribution of wealth. The report concludes that “the fall of the Berlin Wall in 1989 may not have been the crushing victory for free-market capitalism that it seemed at the time” and that “some features of socialism, such as government efforts to equalise wealth, continue to appeal to many people around the world”.

In this paper I discuss the widespread social dissatisfaction with the economic situation and widening inequalities in Ukraine and analyse the reasons for nostalgic sentiments towards the Soviet past, as well as possibilities for future-oriented collective action to ensure a more just social order based on the principles of shared responsibilities. I analyze in-depth interviews conducted with Ukrainian professional public sector workers as part of my MPhil research at the University of Cambridge, and illustrate my findings with secondary data analysis of the yearly sociological monitoring conducted by the Institute of Sociology of the National Academy of Sciences of Ukraine (IS NASU) from 2010. I am aware that professional public sector workers do not represent all Ukrainians, and that opinions of private sector workers, unqualified workers, the unemployed or retired could differ significantly. I have chosen this category of workers not as representative of the population as a whole, but as a group that experienced a significant lowering of their social status compared to the Soviet past (in fact, a significant corpus of sociological research in post-soviet societies is dedicated to the status incongruity that workers with high levels of cultural capital and low levels of economic capital are experiencing). Therefore in their case, nostalgia for the Soviet past could be more clearly linked to a dissatisfaction with their current social status and serve as a tool to criticize their present suffering (rather than a desire to return to the past), as I will show later in this paper.

My paper is divided into two parts. I begin by presenting some of the negative trends of widening inequalities and a paralysing pessimistic view towards the future. In the second

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19 All of my respondents had higher or specialized secondary education (for this reason I use the term “professional public sector workers”, a category that excludes routine non-qualified work). I interviewed workers that had already started their careers in the Soviet Union, but also had experience of work after its collapse, thus the age of my respondents at the time of the interviews was between 35 and 65 years.
part I look at the opportunities for an active engagement with the past and collective
reinforcement of social rights over economic profit.

**Methodology**

Sixteen semi-structured interviews were conducted in December 2005 and April 2006
in three selected communities of different size and with different patterns of transition. The
rural community is situated in the Sumy region, in North-Eastern Ukraine: a region that
experienced highest levels of unemployment during the transition period (World Bank,
2005a). It is emblematic of a community in decline: a sugar producing plant closed down in
the early nineties and a collective farm that was growing sugar beets for the plant collapsed
subsequently. Formerly a large village of over five thousand inhabitants with its own school,
hospital and even a local newspaper, it decreased in size to less than a thousand
inhabitants. Many workers in the public sector lost their jobs (the hospital and the newspaper
closed down). Teachers from the local school fear unemployment since the number of
students has fallen significantly and there are discussions of closing the school as well.

The small community is situated in central Ukraine, sixty miles south-east of Kyiv. It is
a town of thirteen thousand inhabitants with two schools, a kindergarten, a hospital, police
and fire stations, a local newspaper, a city council building with its own statistical bureau and
a railway station. Most of town’s industry collapsed in the early nineties, although some
small-scale enterprises were created. Since the town is relatively close to Kyiv (less than two
hours by train) almost a half of the working population commutes to Kyiv to work. This
community is characterized by "hustling" with forced daily work migration and insecure
employment (temporary, seasonal or low-skilled jobs) in an attempt to keep up a decent
standard of living.

And finally, Kyiv, the capital of Ukraine, has been experiencing economic growth and
has the lowest unemployment rate in the country. At the same time, Kyiv is exemplary of
widening inequalities as the gap between the richest and the poorest of its inhabitants is very
visible. For instance, public sector workers, financed from the state budget, earn significantly
less than workers in the dynamic private sector. Many possibilities offered for ‘adaptation’ to
new conditions by employment in the private sector lead to positional social suffering of
those workers who are caught between their dedication to work and external pressures to
‘adapt’ in order to make higher incomes.

Prior contacts and preliminary knowledge of the community enhanced my
understanding of the socio-economic spaces where respondents came from, and helped
build a less-distanced, non-hierarchical and informal relationship between them and myself
as an interviewer. I have selected respondents through personal contact using ‘snowballing’
technique. A common concern with non-probability sampling is that some voices and points of view may not be taken into account (May, 2001: 132). However, random sampling was not practical in my case, because of time and resource constraints (research was conducted in the framework on a Master's dissertation). Furthermore, even in the case of non-representative sampling or case-studies it is still possible to develop more general theoretical statements about regularities in social structure and processes (Becker, 1970). I addressed concerns with how far the data can be generalized through careful selection of respondents from different professions, of different socio-economic backgrounds and of a variety of lifestyles, to account for heterogeneity of respondents' opinions.

**Social polarization and dispossession**

Following the break-up of the Soviet Union in 1991, Western commentators (such as Fukuyama) wrote on the victory of liberal democracy over communism. However, soon the negative social costs of transition became visible, and a more pessimistic reading saw transition “not as a triumph of liberal democracy but rather as a rejection of an unworkable and inefficient ideology” (Hefferman, 1998: 227). Feelings of hope and enthusiasm that many post-communist citizens experienced in 1991 began to fade. “The abstractions of ‘civil society’ and ‘freedom’, the accompanying ideas of ‘empowerment’ and ‘control’, were at odds with the concrete situations of increasing stress and loss of control that many post-communist citizens see themselves”, - claims Watson (2000: 200).

By the mid-nineties many people began to see the negative consequences not as temporary – as part of the process of creating a new economic system – but as an element of this new system itself. Ramet (1991: 53) defines these people as being ‘betrayed by the revolution’ and argues that such feelings of ‘betrayal’ usually appear after a certain period of time, ‘long enough to convince the discontented that the system has failed to live up to its promises’. Watson (2000: 186) describes this ‘betrayal of hopes’ in the following terms:

*The transition to democracy in Eastern Europe has not at all conformed to expectations, East or West. For one thing, whatever the gains, democratization has not been experienced as an unequivocal improvement of what went before. In a number of ways, the changes have brought about disappointment – even hopelessness – to many women and men living in new democracies.*

She continues by listing some of the ‘most obvious aspects of the downturn of transition’: premature mortality, unemployment, civil strife, rising crime rates and prostitution. Manning (1995: 201) also notes the growth of classical social problems during transition, such as infectious disease, alcoholism, prostitution and higher crime rates, and death rates exceeding birth rates. Nostalgia for the Soviet Union for my respondents revolved around these same issues: past system was perceived by them as superior because there was
greater socio-economic equality, full employment, low crime rates, affordable housing, free health care and education for all citizens.

Analysis of statistical data shows that the majority of Ukrainians experience material poverty and relative deprivation, lacking money to buy anything other than food, being dissatisfied with their life and expecting their lives to worsen in the year to come (only one in five respondents had hopes that it would improve). These findings from statistical analysis of the IS NASU Social Monitoring from 2012 show that 16% of Ukrainians describe themselves as “not having enough to eat”, while monthly expenses of an average Ukrainian family on food constitute 53% of family budget (making an average Ukrainian poor)\(^{20}\).

Yet, a factor that contributes more to social well-being in post-soviet Ukraine is not absolute poverty, but social deprivation and widening inequalities - perhaps the most visible negative consequence affecting post-communist citizens in the transitional period (see, amongst others, Manning et al., 2000; Milanovic, 1998; Lane, 2002; and Stenning, 2005a). The persistence of these phenomena explain in part the high levels of dissatisfaction even in conditions of a growing economy where the “average” living standards improve, as suggested by McAuley in the mid-nineties.\(^{21}\)

The transition period has been accompanied by a very sharp increase in inequality. There is no reason to believe that this will be reversed in the near future. Hence, if and when the economy begins to grow, it is likely to remain unequal. This implies that relatively high levels of poverty are likely to persist and may prove difficult to eliminate (McAuley, 1995: 189).

The most difficult to bear is the injustice of poverty of the majority of population while a minority benefits from transition. It is “not a question of whether they will survive, but rather the quality of their experiences in survival” (Sennett and Cobb, 1976). My respondents – professional public sector workers, who are among the most respected but also the poorest workers in Ukraine - felt frustrated and humiliated not being able to satisfy their needs despite hard work and efforts to adapt. Serhiy, a maths and physics teacher, mentioned how he had to postpone a visit to a friend in a different city because “that can wait.” He also mentioned how he had to make decisions when buying goods about what is “more necessary” and “whether we have enough money or not. He found it stressful having to think about issues that didn’t worry him before:

"Sometimes the kid wants chocolate candy, but we can only buy lollipops because they’re cheaper. This is difficult. We didn’t have to make decisions like that before."

\(^{20}\) Data of the IS NANU for 2012. According to this data, forty percent of the population spend more than 60% of their monthly income on food. [http://www.epravda.com.ua/news/2012/08/24/332727/](http://www.epravda.com.ua/news/2012/08/24/332727/)

Why do we have to do it now? I'm working hard; my wife is working. We should be able to provide for the family. We're not beggars, we're the intelligentsia.

Svitlana, a Ukrainian language and literature teacher, felt embarrassed that there were not enough chairs for everyone to sit at the dinner table when I came. She explained that her daughter broke “the guest chair” a few days ago by rocking on it. Svitlana could not afford a new chair because of additional holiday expenses she had at that time: “all these presents, a Christmas tree, my daughter is going to a play with her class: all this costs money…” She also spoke of the humiliation brought by poverty and compared herself to a beggar:

And we’re not poor – there are poorer people than us – we are average. Everybody lives like this, and this is what makes me angry: this humiliation! You know, before there was some dignity in the work you did, but now you feel like a beggar!

Nadia, a retired pre-school teacher from Kyiv complained that “nowadays life is very difficult; because there are so many things one cannot buy. Prices are so high, and salaries are so low. People are feeling like beggars.” This deprivation was for my respondents a source of suffering, as it meant that “the smallest aspects of existence are constituted from amidst a primal encounter with hardship and the humiliation that it generally involves” (Charlesworth, 2000: 52). My respondents were forced to lead the lifestyle of necessity “which is defined as such only negatively, by an absence, by the relationship of privation between itself and the other lifestyles” (Bourdieu, 1984: 178).

Therefore, the first disturbing trend is the extreme social polarization and widespread dissatisfaction of a wide majority of Ukrainians with their living conditions. A second disturbing trend, very much linked to the first one, is the political passivity and hopelessness. Post-soviet societies have some of the highest indicators of distrust of political and economic elites, journalists, the police and other agents who under certain conditions could contribute to the promotion of common good. Many do not think that there are any political forces that represent their interests or are able to fulfill them, and are usually skeptical about the goodwill of those who have political or economic power to improve the lives of ordinary people. They also do not believe that they personally can change the situation for the better. As a result, 83.6% of Ukrainians do not belong to any political parties, independent trade unions or non-governmental organizations; the majority does not participate in protests against worsening living conditions and even does not socialize with friends and colleagues, preferring individual forms of leisure (TV, reading, housework) to collective ones.

Solidarity and resistance

At the same time, far from remaining passive in their humiliation, my respondents were resourceful and entrepreneurial, confirming Kagarlitsky’s (2005) conclusion: “They have adjusted quite successfully… In fact, they would have long since been, not poor, but dead, if
not for the swift rise of the culture of survival and the resourcefulness, diligence, and solidarity they displayed”. My respondents were working at several jobs, often in the informal sector, kept their own garden plots, and share with relatives and neighbours, exchanging goods and services. They were able to afford a lot more than what they would normally have, if they had only relied on their official salary. Serhiy gave private lessons to his students, and with his wife they had a big garden, chickens and a pig. Svitlana also had a garden, and in the summer travelled to Kyiv to sell apricots, while her retired mother had an informal job in Kyiv, contributing to the family budget. What they gave as examples of their difficult situation were rather descriptions of the sacrifices they have to make every day to provide for an adequate level of life, and of the injustice of a system where an official salary is not enough for the necessities of life.

Despite defining themselves as poor, they refused to be called poor. Instead, many of them described themselves as ‘average’ meaning that the majority of population exist in similar conditions (‘everybody lives like this’):

*I guess I’m average. Most people I know live like me. I shouldn’t complain. I have a job, and get my pay regularly, but my salary is not enough for anything, and I have to work at a second job, and give private lessons. I get so exhausted. And everyone is like that; everyone is dissatisfied with life and with this system! (Lena, K)*

*I don’t know where I would place myself, somewhere in the middle but closer to the lower half. But I also think that this lower half is much bigger, because most people are poor. I don’t even know if I have a right to complain. […] At least I’m a doctor. I have some respect in the village, but all these people who lost jobs when our collective farm and our sugar beet factory closed down – their lives are really tough. And then they start drinking. So, yes, I could be worse off, I guess. (Sasha, S)*

Lena, a university lecturer from Kyiv, added that: “It’s not about positions, I wish everyone’s standard of living increased.” Herself and Sasha, a general practitioner from Sumy region, both mentioned that they have no right to complain because they ‘could be worse off’, thus showing solidarity with others who are suffering. Earlier in this paper,, Svitlana, speaking of the humiliation of poverty, also refused to identify herself as poor: “and we’re not poor... we’re average, everyone is like that”*. Similarly, Valentyn, a doctor from Kyiv, spoke of his poverty in order to complain about the injustice of a hierarchically stratified society where “the majority of the population can barely make ends meet, through no fault of their own, while a minority enjoys all the benefits of modern civilization’ – refusing to describe the poor in terms of being ‘passive’ and ‘not adapting’.*

It is worth noting that those of my respondents who felt they were ‘in the higher half’ and who could be described as ‘having adapted’ also refused to distinguish their less well-off

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*22 In Ukrainian the word ‘serednij’ means both ‘average’ and ‘middle’. This creates confusion in determining who belongs to the ‘middle classes’, as many people refer to themselves as ‘average’ meaning ‘the same as everybody else’.
friends and relatives as having failed to adapt. Natalia, an accountant, and a former engineer and lecturer at a technical college from Kyiv, noted that she became successful only because she took the risk that others were not willing to take. Since her mother was entrepreneurial even during the Soviet times (sewing clothes at home for sale) Natalia admitted that she was more predisposed to ‘being active’ and ‘relying on herself’ than other citizens. When she was not paid her salary for half a year in the early nineties, she simply quit, and had several "random jobs on the side" before finally getting a job as an accountant in a private firm. She noted that many of her friends kept their jobs and are now materially much poorer:

- Would you describe them as having failed to adapt to new realities?
- No, as I said, I would never blame them. They just didn’t want to take the risk; they wanted security. They hoped things would settle down. There’s nothing wrong with that. I think in fact they deserve this security. (Natalia, K)

Having many friends or relatives with whom my respondents shared a common past, but who now occupy either much higher or much lower positions, means that feelings of injustice and inequality, and resistance to the adaptation discourse (Ryabchuk, 2009) are unavoidable. Nostalgia for the communist past is used to refer to a situation when ‘we were all equal’ and to resist the division into those who ‘have adapted’ and those who have not. Rather than ‘having failed to adapt’ my respondents see themselves and the people around them as having been deprived of many of the benefits they had under state socialism.

The rise of nostalgia for the communist past was of great concern to both neo-liberal and neo-conservative politicians and social scientists, who viewed Eastern Europe and the former Soviet Union as a tabula rasa on which a new society could easily be built. They viewed the return of the past system as impossible and focused “on erasing and ignoring the institutions, practices and geographies of socialism, which were deemed to have failed, and building a new social, economic and political system ‘from scratch’” (Stenning 2005a: 236). Stenning (ibid) argues that discourses of transition have focused “on endings, the erasure of past practices and the ridiculing of nostalgia.”

I take a critical stance towards the discourses of ‘transitology’ that view nostalgia as dysfunctional for society and as preventing the people from adequately evaluating their present and from bringing any kind of change and development. Unlike the more individualistic expression of suffering based on distinctions (‘I deserve to have a higher position, because I am better educated’ or ‘my work is more important and more difficult, therefore I should be making more money’) expression of suffering through nostalgia is based on a very inclusive collective ‘us’ (‘Everyone is going through the same difficulties’ or ‘We all felt more secure back then’).

...the angry understood the meaning of us in a very inclusive way. Those who were targeted as 'them' were seen as a small 'economic other' (capitalists in the West, the
communist bureaucracy known as 'nomenklatura' in the East) whose downfall would finally make possible real participation of all citizens (Ost, 2005: 1).

My respondents' nostalgia is highlighting their present suffering and expressing their hopes and concerns for the future, rather than a desire to return to the past. My respondents initially supported transitions and several of them made it clear that do not long for the communist past: “I don’t want to return to these Brezhnev days, no way! It’s just that... I guess I was hoping that things would improve, and now I just don’t believe in anything anymore...” (Oksana, S) or “It’s not that earlier was better, it’s just that now is worse’ (Svitlana, B). Hennadiy puts it concisely: “what was wrong and what we wanted to change - remained, and what was true and what we wanted to keep – disappeared.” He also spoke of “betrayal’ of the people’s hopes: by the oligarchs, who never cared about the people” and by the political leaders who 'only fight and shout a lot, but don’t do anything' (Hennadiy, S.). Betrayal (and not only in Ukraine) came in part from the state abandoning a number of its social commitments, and leaving the people to compensate, “without being given all the necessary means, for the most intolerable effects and deficiencies of the logic of the market (leaving them) abandoned, if not disowned outright, in their efforts to deal with the material and moral suffering” (Bourdieu et al., 1999: 183).

Common experiences of relative equality and stability under state socialism present a basis for solidarity and resistance to a system where inequalities and instability are the norm. When my respondents said that life before perestroika was better, it should be read not as an accurate representation of life twenty years ago compared to now, but as a re-evaluation of the past coming from a present position and re-evaluation of the present through the past. When one speaks of suffering in relation to social change, it is important to note that respondents give not an “eternal image of the past, but rather a “unique experience with the past” (Benjamin, 1968: 242).

Similarly, I believe, that my respondents’ nostalgia for the communist past does not show the superiority of the past system, but the uprootedness caused by the present structural injustice. An adequate understanding of nostalgia is therefore not in seeing it as desire to return to the past but rather as a sign of the present sufferings and of the hopes and concerns for the future.

Therefore collective dissatisfaction with the current situation can also have positive expressions. First of all, when people in Ukraine define themselves as “poor” they recall the old proverb that “poverty is not a vice” and express solidarity with all who have lost out from economic reforms. In such a way they resist dominant ideologies of “blaming the victim” and instead may focus on structural causes of their suffering.

The second important “opening” is the defence of social rights. Even if “improvement” of living conditions is not seen as realistic by most Ukrainians in the nearest future, a
commitment should be made at least to preserve the gains and to prevent the situation from getting worse. The quality and affordability of social and health protection system, ecological safety, timely and sufficient wages, retaining the high levels of education are of a major concern to Ukrainians, and are leading themes of protests. According to the Ukrainian Protest and Coercion Data (UPCD, monitoring conducted by Center for Society Research, www.cedos.org.ua), there are several protest events taking place in Ukraine every day, and although many of them have very few participants and do not receive sufficient coverage in major media outlets, they show that Ukrainians are not as “passive” as may seem, but are actively protesting to defend their rights (social, economic and environmental issues lead to protests more often than ideological issues). And, as was noted during the Parliamentary Assembly of the Council of Europe at the end of September 2009: “Solidarity and adequate social security are the keys to overcoming the current crisis. They are also essential to ensure to a fairer – and thus sustainable – future global economic system”23.

For my respondents and for many post-communist citizens, dominant discourses of transition and adaptation to new realities present no alternatives to neo-liberal capitalism. Therefore, expressing their suffering with others around the “better” (albeit imaginary) past is perhaps one of the few possibilities to create more open accounts of economic change, that show: “not only conflicts but alternatives, in the spaces opened up by the uncertainties and promises of post-socialism” (Stenning, 2005: 237).

**Literature**


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