



CSAC Monographs 14

Power and Institutional Change

in

Post-Communist Eastern Europe

Edited by Birgit Müller

**Centre for Social Anthropology and Computing
University of Kent at Canterbury**

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8. Men in the Right Place: Legitimation in the Autobiographical Talk of Elite Businessmen with a Past 'Old Structure'.

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Introduction

This article is based on a research project involving long life-story interviews with respondents from a variety of contrasting elite and non-elite networks in Czech society. Sixty-six interviews were carried out in several fieldwork sojourns over a one-year period during 1994-95. Eighteen of the respondents were members of what the Czechs colloquially call 'old structures' when the revolution came in November 1989.

Before the revolution, Messrs Dvorak, Elias and Fabera (the names are pseudonyms) were ministerial members of the government. Messrs Ales, Andulka and Fiala were on the prime minister's staff. Messrs Ambroz, Cermak and Drabek were directors and Mr Erben the chief engineer of industrial enterprises. Messrs Barta, Brezina and Exner were senior executives of industrial or trading monopolies. Mr Boucek was a high academic functionary. Mr Carda was already in business as an officially registered management consultancy cooperative, but he was also a member of a government committee drafting reform laws. Messrs Cerny and Danek chaired large farming cooperatives. Mr Foltyn was a high-ranking policeman.

In 1994, Dvorak was in retirement, while Elias, Erben, Fabera, Fiala and Foltyn were in professional or white-collar employment, the revolution having demoted them from positions of power and affluence. Cerny, Danek and Drabek were essentially in the same managerial posts as before. Cermak was doing well after leading a management buy out of a part of his old firm while Exner was comfortably settled in a real estate business, having bought two Prague buildings at a low cost from restitution.

Ales, Andulka, Ambroz, Barta, Boucek, Brezina and Carda looked like being successful enough by 1994 to be regarded as members of the upper rather than middle classes of the new business world. Ales was the chief executive and major shareholder of a firm owning influential media

organs. Andulka was a boardroom director of one of the larger banks. Ambroz was in the same directorial office as before, but his firm enjoyed large and lucrative contracts with a range of leading western companies and its shares had a high quotation on the stock exchange. Barta was the chief executive of an investment fund which was represented on the boards of 350 industrial companies as a major shareholder. Boucek owned a chain of businesses including two stockbroker firms, an investment fund, a property-development firm and art dealers. Brezina was an owner-manager too, his businesses including wholesale imports-exports, property development, restaurants, retail outlets, and dealing in valuables such as diamonds. He was a man capable of responding to an emergency by picking up a phone and arranging the delivery of \$30000 cash to a border crossing between Mongolia and Russia, within hours. Carda's business included a management consultancy, currently with 340 clients, an investment fund, stock-broking, auditing and publishing, having been involved in 240 privatization projects employing 500 consultants.

Ales and Andulka had been colleagues in the last communist government, but their respective business organizations did not appear to have any significant involvements with one another at the time of the interviews. Ambroz, however, appeared to be in almost daily contact with Barta, Boucek and Brezina during the summer of 1994. Barta had been a deputy minister in 1990-93, involved in privatizing a number of state industries including the one to which Ambroz's company belonged.

The men of the old structure present in the emerging capitalist establishment are a point of controversy in Czech society. Not everyone believes that they have attained these positions on merit alone, in open and fair market competition. Many people express the view that the 'velvet revolution' was too velvety in allowing 'old structures' a pole position in the race for capital that was started by privatization. 'Old structures' had contacts and inside knowledge, and they were able to transfer their skills in building up power blocks in the processes of private capital formation. Entrepreneurs who had not been in executive office under the old regime complain of unfair competition while negative comments about the success of 'old structures' can be heard among the non-entrepreneurial sections of the population as well. An absolute rejection of the country's communist past on both moral and economic grounds was a dominant theme in the public discourse of the new era, the presence of 'old structures' among the new capitalists poses an issue

of legitimation. The discussion below addresses the ways in which the 'old structure' respondents, especially the successful ones, handled this issue in the telling of their life-stories.

Methods

Life story telling can be thought of as a production of identity. In narrating their pasts, people construct their versions of who they are. The narrator has to tell a story that the listener can understand. The story has to have a coherence to make sense. The coherence makes the life course available for other people's comprehension, and at the same time communicates that the self it describes has an integrity. Theoretically, it may be that there are people who would construct their autobiography so that it gives a message of a self whose main theme is a disregard for moral scruple. Such cases, if they exist at all, are rare. People are social beings who, when invited to narrate their autobiography, communicate a positive, morally adequate identity. A sprinkling of confessions does not spoil the effect. On the contrary, the admission of a past error of judgement or of a past compromise between being moral and being practical can be itself turned into one of the socially valued attributes which the self mobilizes in his or her presentation.

The life stories in this project were told in a special kind of interactional setting – the research interview. Interviewer and interviewee met by prior voluntary agreement, to produce data which the former needed as a basis for his sociological writing. This provided the parameters and roles of an interactional order. The interviewer was implicitly granted the right to ask questions, but not all questions. He could hardly do an interview such as a prosecuting council might do with a defendant in a courtroom or a psychiatrist with a patient in a clinic, for that would be inconsistent with the prior agreement. The invisible line between pertinent and impertinent questions might shift during an interview, but it had to be minded to make sure that the collaborative process continues. And, like in all interactions, the satisfactory accomplishment of an interview involved what Erving Goffman called face work – each interactant helping the other to compose and preserve a face within the interaction that displays approved social attributes and warrants respect.

The men of the 'old structure' were no different from the great majority of respondents in that they took up willingly the unusual licence the interview gave to talk about themselves and reconstruct their pasts in freely chosen themes. In the narratives they produced, there was

a difference between the successful and less successful ones, the detailed documentation of which is beyond the scope of this article. Some of the less successful ones shifted the standpoint of their self-presentation (face) during the interview, starting by displaying a positive frame of mind and a philosophical acceptance of the fate the revolution dealt to them and ending with an escalating criticism of post-revolution developments and an articulation of feeling betrayed by opportunist individuals. A brave face, so to speak, gave way to a bitter face and there were fissures in the overall construction of their narratives. This is unsurprising. Problems with present circumstances – feeling shifted out of one's rightful place – are not so conducive to producing a smooth transition from past to present in the overall narrative. The successful Ales, Andulka, Ambroz, Barta, Boucek and Carda, on the other hand, produced narratives which preserved an above-average degree of overall coherence despite packing in a lot of diverse subplots and observations. They managed to create very singular, unfragmented identities without appearing to have to labour their justifications of their communist pasts.

It is unusual for respondents in life-story interviews to mind the overall coherence of their narratives to the extent of articulating an explicit affirmation of a meaningful unifying thread at the end. Mr Ales, however, did just that. The passage below is his answer to the interviewer's routine closing question, whether the respondent can think of anything else he would wish to say.

I think that this success of ours, which is very tangible and for which we get a lot of praise, is for me the result of the fact that my previous life, as it were, had a certain sense, that I was, not entirely consciously, getting ready. My education wasn't bad, and in fact I don't have to look back with any great embarrassment, although, as is the habit of Czech revolutions, life begins on 17 November 1989 and prior to that date there had been nothing (laughter), you know what I mean. I look back into my past with a sort of calmness. On the other hand, I realize how much we have yet to learn, what is still missing and how much more there is to do. Now we got on a merry-go-round which is turning ever faster and I worry at times if we manage everything right. We are preparing a radical reorganization of this firm because it has dawned on us that we can't carry on managing it the way we have done so far. (Ales: lines 1523-1552)

For the successful men of the 'old structure', handling the legitimacy issue that many Czechs make of the buoyancy of their fortunes in the new era is largely a question of two things. Firstly, using the positive social attributes accorded by the dominant public discourse of the new

times to successful businessmen. Secondly, narrating a life-story which highlights past events so that they can be read as signposts to its present successful ending, where the narrator is a man in the right place. More detailed features of this construction are discussed below.

Political power was always elsewhere

The issue of legitimacy of the new success of 'old structures' arises from an image of old-regime executives using unscrupulous means to get office and wielding arbitrary and oppressive power over others. That is not how our respondents described their past careers. Some of them explicitly acknowledged the role of patronage in their career progression, but all gave respectable reasons why their patrons picked them for promotion in claiming, plausibly, relevant qualifications for it. Their descriptions of their time in executive office made only oblique references to wielding power. The word 'power' (*moc*) or its derivatives appeared rarely in these accounts, which were extensive and varied in detail.

A synthesized summary of the accounts given by respondents who were insiders to governmental corridors of power (Ales, Andulka, Dvořák, Eliáš, Fabera, Fiala) could be paraphrased as follows. They had ambition to do interesting work. The work they did had mostly a sensible content which would be useful under any system. They were competent to do it and worked hard. They had to develop tactical skills to accomplish things and sometimes made mistakes and experienced failures as well as successes. They helped people and took personal risks to give them protection. They were aware that the system had faults. Its overall goals, however, were not all bad. They tried to serve the positive goals by playing a role in political moves for reformist change. The system in the event proved itself unviable, but that was for other reasons than those associated with the part they played in it.

References to arbitrary personal power in these accounts were ones where the respondent himself was threatened or stymied by it. Several respondents described experiences which made the point that they were exposed to the threats of power more, and had to take more risks in their effort to do their work well, than most ordinary people. Most of them viewed as one of the revolution's benefits an atmosphere in which 'it is easier to breathe'. Fabera used these words, although he had suffered the greatest downfall.

Ales, Andulka, Elias and Fiala were recent arrivals, the upcoming *perestroika* generation. Dvorak and Fabera had long tenures in central government, but their portfolios were associated with the economic sector, which enabled them to describe their work as having largely a technocratic rather than purely political content.

Making a distinction between the economic and political spheres of the old regime was a strong feature of the ways in which the respondent with managerial backgrounds described their careers. For example, this is what Ambroz said when he was asked whether his network of business contacts changed after the revolution.

No. That's interesting. It has not changed at all, you see. The contacts I had in the economic life, the various deputy directors or directors and unit managers of various firms, of whom everyone was an expert in something, or people who were in charge of... planning, etc. whom you needed to contact personally to make things happen quickly, that network hasn't changed. I use essentially the same lot of telephone numbers as I did before the revolution, because the people who were experts in something, they are in their places now, you know. An interesting thing, though, is that the people who used to present themselves as political specialists, and we knew that they were not particularly clever, they finished very quickly and you don't find them anywhere. They don't crop up anywhere, it is not true that old communists from political functions now have their own firms, they don't. Only people who did economic things do, in my knowledge. The economic sphere has remained but the political has dispersed. (Ambroz, lines 961-993)

And he reiterates the point a little later:

We never lived a political life, you see. Politicians interfered in that they occasionally ordered us to build some premises for a district council or something, but we never lived a political life. We always lived an economic life. (Ambroz, lines 1026-1031)

Old-regime executives in the economic sphere were real experts in the 'old structure' respondents' accounts, in contrast to the political sphere,

Relevant expertise accumulation

Accumulation of expertise which is claimed as relevant to legitimate business success in a market economy is a strong thread running through all the narratives of the respondents who have done well since the revolution. Socialist career experiences are described in the language of the new era (another point of difference between newly successful and

unsuccessful 'old structure' respondents), and in ways suggesting hard work, technical competence and leadership skills. Other events such as foreign travel are presented as constitutive of 'the life school', too. Some of the subplots may look like contrived evidence of the respondent's growing readiness to become a successful capitalist businessman when considered in themselves, taken out of the narrative's context. But taken together they build up a picture of an individual with attributes for legitimate success in a competitive market environment.

Thus Ambroz said early on in his narrative:

But in 1972 – that was in fact a year when I began work as a foreman, I became involved in entrepreneurial activity, for the first time I managed a project on my own' (Ambroz, lines 96-102)

The casual description of being a foreman in a state-planned industry as 'entrepreneurial activity' (*zadal se chytat podnikani*) helps to establish an early connection between his past and present. But he was not just a standard socialist career manager, he was able to suggest later on, because his brother was an emigre capitalist.

put it this way, during the past period many of us had entrepreneurial ideas. After all, I must say, nobody sought to prevent me from visiting my brother in Switzerland, I was there twice or three times during the communist regime; he had had his own firm there for some 15 years, so I knew exactly what was involved. I knew exactly how to go about it, but it was not possible here, to behave in a purely entrepreneurial manner. (Ambroz, lines 858-868)

This is how Ales describes his earlier career.

So they threw me out of the Party (in the early 1970s). But, I have to say, it may have done me good, in that, until 1988, I was not allowed to have any authoritative posts, only the job of a rank and file... That was enormously valuable. I travelled everywhere throughout the country and got acquainted with a huge amount of enterprises and their managers. That was a great life school. (Ales, lines 142-163.)

Houček was talented and given to enthusiastic hard work in his professional field right from the beginning of his career (much of his narrative is about that). An episode in which he was tempted, at the age of 30, to emigrate but decided against it, introduces an independent witness into the narrative, to help establish that his high-flying career was based on genuine professional merit rather than on the political skills of socialist opportunism. The witness was a western firm that offered him employment.

the work (that was offered) was interesting... I was in a sort of competition with the people I was meeting, the English and the Swedes,

and so I was able to estimate where I was in my field, and I saw that I was not stupid, that I could compare myself very successfully with them. This is not a question of self-praise but of a normal pragmatic assessment of the situation. (Boucek, lines 323-340.)

Later on in his story, he established his managerial credentials as the head of a university department. This was his most enjoyable working period under the old regime, unlike his later service in higher functions which involved him in much unpleasant bureaucratic infighting. Under his leadership,

(That department of ours was proving for years that it was really hungry (*drava*), that we were always making money, we had two week-long working conferences per year, one in the winter and one in the summer... The department became famous for never having meetings (laughter), you see, as the system of the, so to speak, bureaucratic management was relaxing... (Boucek, lines 523-537.)

'Being hungry' (*drava*) like Boucek's department was under his leadership is a positive term in the language of the current era, denoting appetite for competitive initiative and entrepreneurship.

Our respondents supported the 'accumulation of relevant expertise' theme by volunteering arguments that the old regime was not a backward economy, but one which produced respectable standards of industrial and managerial professionalism in some areas. Comments of this kind were often produced in the context of describing early post-revolution experiences with western businessmen and advisors.

And the insulting thing was that they thought they would have to help us down from the trees, explain what civilization was, that we should eat from plates etc. But they came and found that they were thoroughly mistaken, that the state was not in ruins, you see, that there were technological processes and skills here, and that we could compete with them without problems. (Ambroz, lines 346-358.)

The narratives, however, also contained passages in which the respondents showed that they did not regard their old-regime expertise as sufficient in the new conditions. They all professed the view that, despite the continuity in the economic sector networks, the change of the economic system was a radical one. All the narratives include episodes showing the narrator to have been a willing learner, and all mention the exhilaration of making a new start in one's middle age. Some mention the stresses as well.

Class background

It is usual for autobiographical narratives to include descriptions of family background in their opening passages. Under the communist regime, especially in its early decades when our respondents were growing up, this information had special significance and uses, because the authorities regarded being born to working-class parents as auguring sound character and political reliability. Now the tables turned. People who have them are able to mobilize good bourgeois backgrounds for the construction of positive identity. That was the case of Ambroz, Boucek, Barta and Carda.

In 1954, there was a family problem...Daddy went to prison and we had to move out of our house... I had just started primary school. - [Q.: "Why did he have to go to prison?"] Well, we, our family, owns factories in East Bohemia since 1870, production of frames, for pictures etc... so it had its consequences. I was the son of a factory owner and all that, I had problems getting a place in a secondary school. But I have to say, after that nobody did any harm to me, I have to say that straight. They hurt dad, but not me. (Ambroz, lines 62-102)

Boucek started his narrative in a similar vein.

1953 was an interesting year simply because I managed to enter a secondary school. Not the sort of school I wanted, because I was growing up in the country, we had a farm, so I wanted to become a vet...and it should not be a problem because I was good academically...but I was found to be, as they used to say, inappropriate cadre-wise (*kadrove neodpovidam*)...and was glad to get into any school that would have me...it was after a lot of hassles, because theoretically I could have ended up as some kind of apprentice or labourer...but I got to study thanks to certain brave individuals - there are always people who are sort of brave and have a significant influence in your life. (Boucek, lines 27-57.)

In Barta's life story, the social survival of a class-embattled family is in fact the main unifying thread. It opens with a description of the family's position in the First Republic as bankers and landowners, and this state-

In 1948 nationalization happened, obviously, and so began problems for my family which were with me essentially all my life until 1989. (Barta, lines 40-45.)

In the middle parts of the narrative give a lot of information about the fates of family members as well as Barta's own. Father had a spell in prison in the 1930s. Barta had to train as a mechanic, 'so as to get closer to the

working class', before gaining entry into a university. Parents emigrated in 1968, and Barta had to do some fancy footwork with the authorities to stop them from confiscating their house. As a young man he did a lot of moonlighting to sustain a life style which prominently featured hunting in the forests that his family used to own. He took pride in keeping in touch with the people who used to manage the forest for his grandfather, and in having the local community's confidence. His career progression to senior administrative ranks in the industrial monopoly was made possible by a technocratic minded general director who was prepared to shield him from political scrutiny. When mentioning his achievements both before the revolution and in the government function he held from 1990, Barta reinforces his identification with his family background by giving a credit to the upbringing he had got. His parents had always taught him not to expect anything without hard work. They had told him how his grandfather had worked long hours as a banker during the First Republic, and taught him principles which he found useful to abide by. For example, this is how he started his answer when asked about changes in his acquaintance networks after joining the government in 1990:

I always keep a principle that they made a point of teaching me at home. They said, when you are ascending, always greet respectfully the people (coming from the opposite direction) you will be meeting. Keep in touch with them all, because you will be meeting them again when you are descending. (Barta, lines 937-943.)

This is how Barta opened the concluding phase of his autobiographical talk:

My life has changed substantially (since 1989), because I am essentially the only member of my family who has restored the interrupted continuity, the position my family had before 1948. The family used to belong to...not perhaps the highest elite, but certainly to the circles that took part in governing the state and its finances. They had an exceptional position and were well known. Well, and when I think about it, I jumped over two generations (sic) and returned to where the family had been until 1940 or 1939, when the Germans came. Whether the wealth and position will be restored entirely now largely depends on the children..., what they make of it. (Barta, lines 1317-1343.)

Connectedness with the new regime people

Barta ascended to the post-revolution government partly thanks to never having been in the communist party, and perhaps also to his family con-

nections with the First Republic. But the old regime executives who were in the communist party and now are part of the business establishment can also convey their identification with the new regime which goes beyond the obvious fact that they are doing well in it. They can allay anti-communist suspicions such as might attach to their 'old structure' pasts by mentioning in passing that they are personally known and trusted by members of prime minister Klaus's government. If that government has gained a world-wide credibility as being on the side of liberal capitalism, then ex-communist businessmen can share in that credibility too. For example:

You know, we were a strong year in the university; it was the year of Klaus, Kocarnik, Dyba (cabinet ministers), they are all people we know... (Ales, lines 846-848.)

This is how Boucek, who had left academic life after post-revolutionary conflicts, answered when asked if his networks had changed:

I think that there are people with whom one never breaks up. Kocarnik (finance minister) belongs to them, I have known him for years, you understand. He is a minister now, I think that he is pretty good at it although I can't say that he has done me any favours, but I can see that he is doing a good job...We were sitting at some dinner recently, I didn't see him, and he, the great minister, came up to me from behind, knocked on my shoulder and said 'don't be ashamed of me' (laughter). That's nice, you can get on with this kind of people, unlike with the kind of people who used you when you were a functionary and now are keen to prove that they are on the opposite bank, and that is where they always were. (Boucek, lines 1568-1591.)

Criticising the critics

Most of the 'old structure' respondents told of running into trouble with militant anti-communists during the aftermath of November 1989. In their narratives, they dealt with these episodes by drawing on the shared resources of a culture that has known several changes of political regime this century. The character who barks with the hounds to divert attention from his own foxy tail; the opportunist who joins the revolution to gain career advancement which his working achievements do not merit; the impassioned ideological extremist who is keen to purge all the other colours from the spectrum; the zealous propagandist who exaggerates the evils of the previous regime; and the simple dupe who believes the propaganda – all these are types of people whose existence is well established in the folk memory of previous revolutions. The 'old structure'

respondents were therefore able to describe the people who had attacked them in a manner plausibly suggesting one or another of these types, and in so doing dismiss the accusations that had been levelled against them without getting drawn into details and sounding too defensive.

Like every revolution, this one brought to the surface a lot of people who were great never-do-wells...I told them that this revolution was different from the last one; this one was not about redistributing wealth, because there wasn't much left to redistribute, but about working hard to create wealth. You will have to work differently than you are used to, whether you like it or not. So they founded (a work-place branch of) Civic Forum. That was a necessary part of the revolutionary process, society did have to get into motion somehow. But, in addition to people who were intelligent and hard-working and had been perhaps denied full self-realization, the Civic Forum attracted, certainly in our institution, a lot of characters who had been marking time towards retirement without ever doing much to keep abreast of their specialisms, and now they ceased an opportunity for advancement. I said: holy shit, this is going to be tough... (Boucek, lines 889-921.)

I can tell you that as far as this firm is concerned, the most zealous fighters, the greatest lustrators were people about whom it transpired that they were also the greatest sinners, you see (laughter). And they kept calling me before their committee and kept saying you have to get rid of this one and that one, and if you do you can perhaps stay — But that is behind us now. [Q: 'Did you get rid of anyone? Did anyone have to go?'] No, not from this place. I have a rich life experience with handling various power structures, (laughter) so we survived it all in a relative peace and quiet. (Ales, lines 1241-1261.)

Summary

The above discussion briefly outlined the fates of a set of 'old structure' respondents and went on to highlight the ways in which those whose fortunes have been the most buoyant under the new regime have constructed their life-story narratives to present themselves as men in the right place. They dissociated themselves from the infamous aspects of the communist regime by claiming that oppressive power was located in other offices than the ones they used to occupy. They presented their careers as ones which enabled them to accumulate expertise relevant to doing well in a market economy. Some of them were able to draw on pre-communist family backgrounds to claim new-era respectability. All of them showed themselves to be personally connected with the current members of government. And they drew on the collective memory of previous revolutions to dismiss their militant critics.