In a famous 1939 broadcast, Winston Churchill told his audience: “I cannot forecast to you the action of Russia. It’s a riddle wrapped in a mystery inside an enigma.” Communism has long gone but is Russia becoming more transparent? In tackling this question my recent book How Russia Really Works presents a novel approach. Rather than looking at what does not work in Russia and why, I focus on what does work and how. By analyzing post-Soviet politics and business from the perspective of informal practices, I discover rarely visible forms of activity and dispel a number of commonly held stereotypes about corruption and illegality.

Prof. Ledeneva received her undergraduate degree in economics at Novosibirsk State University (1986) and her M.Phil. (1992) and Ph.D. (1996) in social and political theory at Cambridge University. She is author of Russia’s Economy of Favours: Blat, Networking and Informal Exchange (Cambridge University Press, 1998) and How Russia Works: The Informal Practices That Shaped Post-Soviet Politics and Business (Cornell University Press, 2006) and co-editor of Bribery and Blat in Russia (Macmillan, 2000) and Economic Crime in Russia (Kluwer Law International, 2000).
In How Russia Really Works, Alena V. Ledeneva explores practices in politics, business, media, and the legal sphere in Russia in the 1990s—such as the hiring of firms to create negative publicity about one’s competitors, to inventing novel schemes of tax evasion and engaging in alternative techniques of contract and law enforcement. Informal work had been a noticeable issue since Lithuania regained independence in 1990, but had hitherto not attracted much attention in the media. Now, in the light of the financial crisis, the lack of control of informal work was singled out as one of the main problems of Lithuania’s economy, and the issue frequently appeared in newspapers and on TV. How Russia Really Works covers the informal practices in politics, business, media, and the legal sphere in Russia in the 1990s. It contributes to a growing body of research in comparative politics on informal institutions. Alena Ledeneva’s main thesis concerns the “paradoxical role” of informal practices in post-Soviet Russia: They are both supportive and subversive of formal rules and informal norms; “they accommodate change but also represent resistance to change” (3). Ledeneva’s concept of informal practices, equally grounded in formal rules and informal norms. This book is a sequel to her Russia’s Economy of Favors: Blat, Networking and Informal Exchange (1998) and her exploration of post-Soviet informal practices in How Russia Really Works: The Informal Practices that Shaped Post-Soviet Politics and Business (2006). Can Russia Modernize? is not so much a sequel as it is the outer crust to these previous subterranean explorations. While the first two texts focused on the societal workings of informal networks, the new book illuminates their presence in the innards of the Russian state. It’s a lucrative and low risk practice in Putin’s Russia. Sistema raiding also brings the full weight of sistema into view: the interlocking of police organs, the courts, and bureaucrats into informal power networks.