

Hede Helfrich · Andrey V. Dakhin  
Erich Hölter · Igor V. Arzhenovskiy (Eds.)

# Impact of Culture on Human Interaction: Clash or Challenge?



HOGREFE



# Impact of Culture on Human Interaction: Clash or Challenge?

## **Editors:**

Professor Dr. Dr. h.c. (rus) HEDE HELFRICH / ХЕДЕ ХЕЛЬФРИХ

Department of Psychology

University of Hildesheim

Marienburger Platz 22, 31141 Hildesheim, Germany

eMail: helfrich@uni-hildesheim.de

Professor Dr. ANDREY V. DAKHIN / АНДРЕЙ В. ДАХИН

Volgo-Viatsky Public Administration Academy

Gagarin prospect 46, Nizhny Novgorod, Russia 603950

eMail: nn9222@yandex.ru

Professor, Dr. Dr. h.c. (rus) ERICH HÖLTER / ЭРИХ ХЁЛЬТЕР

Faculty of Economics and Business Administration

Cologne University of Applied Sciences

Claudiusstraße 1, 50678 Köln, Germany

eMail: erich.hoelter@fh-koeln.de

Ass. Professor Dr. IGOR V. ARZHENOVSKIY / ИГОРЬ В. АРЖЕНОВСКИЙ

International Institute of Economics, Law and Management

Nizhny Novgorod State University of Architecture and Civil Engineering

Ul. Ilinskaya 65, Nizhny Novgorod, Russia 603950

eMail: igor@ii.nngasu.ru

The Russian edition of this book has been published as follows:

Российское издание данной книги выходит под названием:

## **Влияние культур на взаимоотношения людей: конфликт или шанс?**

Под редакцией

**Андрея В. Дахина**

**Хеде Хельфрих**

**Игоря В. Арженовского**

**Эриха Хёлтера**

Нижний Новгород: изд-во ННГАСУ, 2008

Нижегородский государственный архитектурно-строительный университет

ул. Ильинская 65, Нижний Новгород, Россия 603950

# Impact of Culture on Human Interaction: Clash or Challenge?

edited by  
**Hede Helfrich**  
**Andrey V. Dakhin**  
**Erich Hölter**  
**Igor V. Arzhenovskiy**

**HOGREFE** 

## Library of Congress Cataloging in Publication

is available via the Library of Congress Marc Database under the  
LC Control Number 2008931543

## Library and Archives Canada Cataloguing in Publication

Impact of culture on human interaction : clash or challenge? / edited  
by Hede Helfrich ... [et al.].

Includes bibliographical references.  
ISBN 978-0-88937-364-8

1. Russia (Federation)--Politics and government--21st century.  
2. Russia (Federation)--Social conditions--21st century. 3. Personnel  
management--Cross-cultural studies. 4. Personnel management-  
International cooperation. 5. International economic relations.  
6. Education--International cooperation. I. Helfrich, Hede

JZ1318.I457 2008                      303.48'2                      C2008-903950-5

© 2008 by Hogrefe & Huber Publishers

### PUBLISHING OFFICES

USA:            Hogrefe & Huber Publishers, 875 Massachusetts Avenue, 7th Floor, Cambridge, MA 02139  
                  Phone (866) 823-4726, Fax (617) 354-6875; E-mail [info@hogrefe.com](mailto:info@hogrefe.com)  
EUROPE:      Hogrefe & Huber Publishers, Rohnsweg 25, 37085 Göttingen, Germany  
                  Phone +49 551 49609-0, Fax +49 551 49609-88, E-mail [hh@hogrefe.com](mailto:hh@hogrefe.com)

### SALES & DISTRIBUTION

USA:            Hogrefe & Huber Publishers, Customer Services Department,  
                  30 Amberwood Parkway, Ashland, OH 44805  
                  Phone (800) 228-3749, Fax (419) 281-6883, E-mail [custserv@hogrefe.com](mailto:custserv@hogrefe.com)  
EUROPE:      Hogrefe & Huber Publishers, Rohnsweg 25, 37085 Göttingen, Germany  
                  Phone +49 551 49609-0, Fax +49 551 49609-88, E-mail [hh@hogrefe.com](mailto:hh@hogrefe.com)

### OTHER OFFICES

CANADA: Hogrefe & Huber Publishers, 1543 Bayview Avenue, Toronto, Ontario M4G 3B5  
SWITZERLAND: Hogrefe & Huber Publishers, Länggass-Strasse 76, CH-3000 Bern 9

Hogrefe & Huber Publishers

Incorporated and registered in the State of Washington, USA, and in Göttingen, Lower Saxony, Germany

No part of this book may be reproduced, stored in a retrieval system or transmitted, in any form or by any means,  
electronic, mechanical, photocopying, microfilming, recording or otherwise, without written permission from  
the publisher.



Printed and bound in Germany  
ISBN 978-0-88937-364-8

# Table of contents

List of contributors	xi
Preface	
EVGENY V. KOPOSOV (Rector of the NNGASU)	xv
A word of thanks	xvii
Introduction	
ANDREY V. DAKHIN and HEDE HELFRICH	xix
 <b><i>Part I:</i></b> <b><i>Administrative-political reforms in Russia's regions:</i></b> <b><i>Political, economical and cadres' sources in comparative perspective</i></b>	
<i>1 Regional dimension of administrative reforms:</i> <i>Political, economical and cultural aspects</i>	3
<hr/>	
Chapter 1: The political and economic after-effects of political-administrative reform and of changes in structures and regional authority institutions	
ANDREY V. DAKHIN	5
Chapter 2: A system change from centralization to decentralization: South Korea's experience	
TOBIN IM and SOON EUN KIM	17
Chapter 3: Consensus and its exceptions: Russian regionalism between "Political Pedagogy" and "Social Orthopedy"	
ANDREY S. MAKARYCHEV	29
Chapter 4: Administrative reform in the region: Conflicts and compromises (by the example of the Ryazan region)	
VLADIMIR S. AVDONIN	37

Chapter 5: The abolition of direct governor election in the Russian Federation: Socio-economic reasons and political consequences VIKTOR A. KOVALEV	49
Chapter 6: Party-political aspects in implementing the administrative reform in Russia in 2000s (as exemplified by the Nizhny Novgorod Oblast) NIKOLAI P. RASPOPOV	63
Chapter 7: Administrative reform and increasing independence of the regions in forming socio-cultural policy (the case of the Tatarstan Republic) ALEXANDER L. SALAGAEV and RUSTEM R. SAFIN	77
Chapter 8: Political processes in Russian regions in the framework of centralization policy PETR V. PANOV	85
Chapter 9: The place and role of the administrative reform in the process of regionalization in Russia RUSTAM M. BIKMETOV	99
<i>2 Patterns of training for officials: Political, technological, educational, and methodological aspects</i>	107
Chapter 10: The basic principles of reengineering a government based on ICT HONG-BIN ZHANG, RU-ZHOU ZHAO and RONG LI	109
Chapter 11: Competence-based training: A new view on training in the Chengdu Institute of Administration ZAO CHEN	117
Chapter 12: The state service in Russia: Opportunities of its improvement with the help of the best foreign experience adaptation OLEG A. KOLOBOV	123

Chapter 13: How the former High Party School of the Soviet Communist Party changed in the context of the State Reform Process: A Russian experience ANDREY V. DAKHIN	127
Chapter 14: Knowledge management as a development factor for the professionalization of employees in state authorities SVETLANA A. TIKHONINA	145
Chapter 15: Career processes at the level of the individual citizen of the Federation: The Tatarstan experience OLGA V. GERASIMOVA	155
<i>3 Public agency for experts' communication: Development of regional think tanks</i>	163
Chapter 16: The advantages of the RCE in Nizhny Novgorod JOSEF F.H. SPAUBECK	165
Chapter 17: The project of a regional agency for public experts' communications (RAPExCom) ANDREY V. DAKHIN and ANDREY A. DAKHIN	171
Chapter 18: The self-regulated organization of business community: Regional experience ALEXANDER E. BELYAKOV	179

***Part II:***  
***Cultural aspects of Human Resource Management***

*1 Values in international comparison: How do cultures differ?* 189

---

Chapter 19:  
 Cultural differences in Human Resource Management:  
 Some methodological considerations  
 HEDE HELFRICH 191

Chapter 20:  
 Searching for meaningful psychological categories, dimensions,  
 and patterns of culture  
 WALTER J. LONNER 203

Chapter 21:  
 Race and ethnicity in the United States: The case of the state of Georgia  
 RICHARD L. CLARK 219

Chapter 22:  
 The culture of memory and amnesia in the borderland societies:  
 The case of the Republic of Moldova  
 LUDMILA D. COJOCARI 233

Chapter 23:  
 Ethnic identification in the context of the intercultural dialogue  
 YURY V. FILIPPOV 249

*2 Work motivation in cultural context:*  
*Which consequences result for Human Resource Management?* 255

---

Chapter 24:  
 About the impact of traditional ethical principles on Western  
 and Russian working life  
 ANNA BÖHMER 257

Chapter 25:  
 The impact of supervisor commitment on OCB and turnover  
 intention in different cultural contexts  
 JÖRG FELFE 269

Contents	ix
Chapter 26: The influence of culture on the gender relationship in the modern society IRINA I. CHERNOVA	287
Chapter 27: The influence of cultural origin on students' learning habits SUSANN KOWALSKI	297
<i>3 Economic decisions in cultural context: How are opportunities and risks perceived and evaluated?</i>	317
Chapter 28: Strategies in complex decision making: Economics, problem solving, and culture STEFAN STROHSCHNEIDER	319
Chapter 29: Complementary cooperation in Russian-German teams: The potential of cognitive cross-cultural psychology with regard to complex problem solving and time use KATRIN SCHMELZ	331
Chapter 30: Economic decisions: Analysis of typical mistakes ADRIAN M. BEKAREV	347
<i>4 Intercultural cooperation: Synergy or polarization?</i>	355
Chapter 31: Is the 'clash of civilizations' a real problem or an imaginary one? SHIGEKAZU KUSUNE	357
Chapter 32: A bifurcation man as an intercultural boundary phenomenon and a factor of changes in the global world: Synergetic aspects VLADIMIR P. SHALAEV	369

Chapter 33: The study of cross-cultural conflicts in Chinese-foreign joint ventures: The Changan Ford Company example HAO LI	379
Chapter 34: Thoughts on corporate culture obstacles within the economic globalization process JINGTIAN GE	391
<i>5 Internationalization in higher education: Experiences and perspectives</i>	395
Chapter 35: Internationalization of higher education from a European perspective ERICH HÖLTER	397
Chapter 36: Internationalization of higher education in Russia: The case of the International Institute of Economics, Law and Management of NNGASU IGOR V. ARZHENOVSKIY	407
Chapter 37: Experiences with the accreditation process of bachelor and master programs in Germany and Russia MANFRED KIY	417
Author Index	427

## List of contributors

*Arzhenovskiy, Igor V.*

Dr., Ass. Professor, Director of the International Institute of Economics, Law and Management, NNGASU (Nizhny Novgorod, Russia)

*Avdonin, Vladimir S.*

Dr., Professor, Center for European Studies, Ryazan State University (Ryazan, Russia)

*Bekarev, Adrian M.*

Dr., Professor, N.I. Lobachevsky State University of Nizhny Novgorod, NNSU (Nizhny Novgorod, Russia)

*Belyakov, Alexander E.*

Doctoral candidate, Volgo-Viatsky Public Administration Academy (Nizhny Novgorod, Russia)

*Bikmetov, Rustam M.*

Dr., Chair of Philosophy and Political Science, NNGASU (Nizhny Novgorod, Russia)

*Böhmer, Anna*

Doctoral candidate, University of Hildesheim (Hildesheim, Germany)

*Chen, Zao*

Lecturer, Chengdu Administrative Institute (Chengdu, P.R. China)

*Chernova, Irina I.*

Dr., Head of the Chair of Sociology, Volgo-Viatsky Public Administration Academy (Nizhny Novgorod, Russia)

*Clark, Richard L.*

PhD, Public Service Assistant, Vinson Institute of Government, University of Georgia (Athens, USA)

*Cojocari, Ludmila D.*

Dr., Ass. Professor, Department of History and International Relations, Free International University of Moldova (Chisinau, Moldova)

*Dakhin, Andrey V.*

Dr., Professor, Vice-Rector of the Volgo-Viatsky Public Administration Academy (Nizhny Novgorod, Russia)

*Dakhin, Andrey A.*

Doctoral candidate, NNGASU (Nizhny Novgorod, Russia)

*Felfe, Jörg*

Dr., Professor, Department of Psychology, University of Siegen (Siegen, Germany)

*Filippov, Yury V.*

Dr., Professor, Head of the Chair of Culturology, NNGASU (Nizhny Novgorod, Russia)

*Ge, Jingtian*

Dr., Professor, Chancellor of the School of International Business, Dongbei University of Finance and Economics, DUFE (Dalian, P.R. China)

*Gerasimova, Olga V.*

Doctoral candidate, Volgo-Viatsky Public Administration Academy (Nizhny Novgorod, Russia)

*Helfrich, Hede*

Dr., Dr. h.c. (rus), Professor, Director of the Department of Psychology, University of Hildesheim (Hildesheim, Germany)

*Hölter, Erich*

Dr., Dr. h.c. (rus), Professor, Professor h.c. (rus), Dean of the Faculty of Economics and Business Administration, Cologne University of Applied Sciences (Cologne, Germany)

*Im, Tobin*

PhD, Professor, Graduate School of Public Administration, Seoul National University (Seoul, South Korea)

*Kim, Soon Eun*

Dr., Professor, Dean of Research and Exchange Office, Dong-Eui University (Busan, South Korea)

*Kij, Manfred*

Dr., Dr. h.c. (rus), Professor, Professor h.c. (rus), Faculty of Economics and Business Administration, Cologne University of Applied Sciences (Cologne, Germany)

*Kolobov, Oleg A.*

Dr., Professor, Member of RAEN, Dean of the Department of International Relations, N.I. Lobachevsky Nizhny Novgorod State University, NNSU, Honorary Consul of Czech Republic (Nizhny Novgorod, Russia)

*Koposov, Evgeny V.*

Dr., Professor, Rector of the Nizhny Novgorod State University of Architecture and Civil Engineering, NNGASU (Nizhny Novgorod, Russia)

*Kovalev, Viktor A.*

Dr., Professor, Chair of Political Sciences and Sociology, Syiktyivkar State University; Senior Researcher of the Section for Sociology of Economics, Komi NK Ural Division of RAN (Syiktyivkar, Russia)

*Kowalski, Susann*

Dr., Dr. h.c. (rus), Professor, Faculty of Economics and Business Administration,  
Cologne University of Applied Sciences (Cologne, Germany)

*Kusune, Shigekazu*

Professor, Department of Law, University of Kanazawa (Kanazawa, Japan)

*Li, Hao*

Dr., Professor, School of International Business, Dongbei University of Finance  
and Economics, DUFE (Dalian, P.R. China)

*Li, Rong*

Lecturer, International Department, Chengdu Administrative Institute (Chengdu,  
P.R. China)

*Lonner, Walter J.*

PhD, Professor, Director of the Center for Cross-Cultural Research, Department  
of Psychology, Western Washington University (Bellingham, USA)

*Makarychev, Andrey S.*

Dr., Professor, Chair of Political Science and International Relations, Nizhny  
Novgorod Linguistic University (Nizhny Novgorod, Russia)

*Panov, Petr V.*

Dr., Chair of Sociology and Political Science, Perm'sky State University (Perm,  
Russia)

*Raspopov, Nikolai P.*

Dr., Ass. Professor, Nizhny Novgorod Division of the State University "High  
School of Economics" (Nizhny Novgorod, Russia)

*Safin, Rustem R.*

Researcher, The Center of Analytical Research (Kazan, Russia)

*Salagaev, Alexander L.*

Dr., Professor, Director of the Center of Analytical Research, Kazan State  
Technical University (Kazan, Russia)

*Schmelz, Katrin*

Doctoral candidate, University of Hildesheim (Hildesheim, Germany)

*Shalaev, Vladimir P.*

Dr., Professor, Dean of the Faculty of Social Technologies, Marii'skiy State  
Polytechnic University (Ioshkar-ola, Russia)

*Spaubeck, Josef F.H.*

Dr. h.c. (rus), Professor h.c. (rus), Zuyd University of Applied Sciences (Sittard,  
The Netherlands)

*Strohschneider, Stefan*

Dr., Professor, Division of Intercultural Business Communication, Friedrich-  
Schiller-University Jena (Jena, Germany)

*Tikhonina, Svetlana A.*

Dr., Ass. Professor, Chair of Sociology, Volgo-Viatsky Public Administration  
Academy (Nizhny Novgorod, Russia)

*Zhang, Hong-Bin*

Ass. Professor, Director of the Department of Information, Chengdu  
Administrative Institute (Chengdu, P.R. China)

*Zhao, Ru-Zhou*

Lecturer, Chengdu Administrative Institute (Chengdu, P.R. China)

## Dear Readers!

The materials presented in this book are based on the international symposium “Cultural impact on human interaction: Clash or challenge?” held at our university from November 27th to 29th, 2006. Starting from the political, social, and economic reconstruction of contemporary Russia, risks and chances of international cooperation were discussed from both different cultural and different discipline perspectives.

The symposium was associated with a very significant occasion for our university. In 2006, the International Institute of Economics, Law and Management (MIEPM) which was established and supported by the EU programme TEMPUS–TASIS in Russian–German–Dutch partnership, celebrated its 10th anniversary. Initially, the idea of the project was to achieve a closer integration of our university into the world’s educational space. During the last 10 years, our University has developed close relations with various universities in other countries. A great contribution to this work was by the former rector, member of the Academy RAASN, V.V. Naydenko, untimely deceased in 2005. To commemorate the first decade of our work, we, together with our foreign partners, held the international symposium, the key results of which are summarized in this book.

The representatives of the universities in Germany, the Netherlands, Sweden, Japan, China, South Korea, the USA, the Ukraine and Moldova all took part in the work of the symposium. The majority of the participants were not visiting us for the first time. We work in especially close cooperation with the University of Applied Sciences, Cologne (Germany), the University of Hildesheim (Germany), and the Zuyd University of Applied Sciences (The Netherlands), and we are glad to share the joy of our success with them.

We also want to say words of gratitude to our Russian colleagues, who represent the leading regional Universities in Russia. We are very happy about the participation of the representatives from Kazan, Syktyvkar, Perm, Yoshkar-Ola and Ryazan, who have contributed much to the preparation of the concluding materials of the symposium.

Among the participants of the present volume, there is a range of specialists from the leading Universities of Nizhny Novgorod: N.I. Lobachevsky State University, N.A. Dobrolyubov State Linguistic University, the State University—The High School of Economics, R.E. Alekseev State Technical University, Volgo-Viatsky Public Administration Academy.

The scientific cooperation among the Universities in Nizhny Novgorod is no less significant to us than the international cooperation. That is why we are grateful to our

colleagues from the Universities of Nizhny Novgorod, who have taken part in the work on the conclusions and products of the symposium.

Putting together the different perspectives expressed by the various contributors to the book, an important step on the way towards a unified view of human interaction has been achieved. It can help to bridge the gap between different countries as well as between different disciplines. Special thanks go to the editors of the book for organizing the symposium and preparing the concluding materials. We hope that our cooperation will be successfully continued.

Professor Dr. E. V. Koposov  
Rector of the Nizhny Novgorod State University of Architecture  
and Civil Engineering (NNGASU)

## A word of thanks

The book at hand is a result of several preparatory steps. A first initiation was marked by the international symposium “Cultural impact on human interaction: Clash or challenge?” We are very grateful to Professor Dr. h.c. Adam W. Klein and especially to the Vossloh Foundation which supported this symposium by a generous grant.

The symposium was held in Russia at the Nizhny Novgorod State University of Architecture and Civil Engineering (NNGASU), from November 27th to 29th, 2006. The university has constituted an ideal surrounding for this purpose. The symposium has greatly benefited from the competent and highly professional support of the Rector of the university, Professor Dr. E.V. Kuposov, as well as from all those who have assisted in the preparation and implementation of the symposium. We would like to thank all of them and especially all participants who have made their valuable contributions and have encouraged inspiring discussions. It was their productive suggestions which created the idea for this book.

The primary purpose of this book is to display and reflect theoretical, methodological and practical advances in intercultural cooperation, with due regard to examples of empirical research practice. Thus, the thematically suitable presentations given at the symposium have been revised and integrated, and some additional contributions have been collected, too. We would like to express our gratitude to all the authors for their contributions and their close cooperation. Also, we thank Thorsten Horenkamp who supported us invaluablely in editing the book.

A couple of chapters received a brush-up in English. This was done perfectly by David Whybra. Nevertheless, the reader should realize that most of the authors are not native English speakers. One should be tolerant with their international English. The content of the book should count.

Finally, special thanks go to Hassan Al-Hakim for designing the cover and Karl-Heinz Spiess for financially supporting the printing of the book.

June 2008

Hede Helfrich  
Andrey V. Dakhin  
Erich Hölter  
Igor V. Arzhenovskiy



# Introduction

ANDREY V. DAKHIN and HEDE HELFRICH

In recent times, the worlds of politics, of business, of administration, and of ideas have kept changing rapidly. Expansion of the EU and NATO, the formation of the European Monetary Union, reorganization of the former Soviet Union, and the accelerated economic growth of China are prominent examples. Thus, encounters with other nations and their cultures have become an increasingly important part of our everyday life. The encounters may be direct as in economic joint ventures, political negotiations, communication with people on journeys abroad, or personal experiences with immigrants at home. They may, as well, be indirect, for example, if work standards that have up to now fitted in with regional requirements must be changed to cope with global economic competition, or, if hitherto existing jobs become redundant or are displaced to other regions.

In some cases, such encounters may lead to new insights or effective results, however, in others, they do not always flow smoothly: Numerous joint ventures fail to be successful, political negotiations can break down, changed work standards may evoke resistance, and immigrants may show behaviors not tolerated by the mainstream society. Similar polarities have been formulated in the field of the analysis of the contradictions between “universality“ and “particularity” (cf. Walzen, 1997), in the field of human rights (cf. Kucuradi, 2002), in the field of issues of democracy experience (cf. Katznelson, 1996), and in the field of studies of self-governing municipal systems for local communities (cf. Government of Canada, 1995; De Vries, 1988).

Thus, the question arises, whether ethnocultural diversity implies an insurmountable antagonism (“clash”) or whether, instead, we can, in spite of ethnocultural diversity, apply common global standards of thinking and acting (“challenge”).

Different answers to this question have been proposed. On the one hand, the position is held that the concurrence of different cultures will inevitably lead to an antagonistic polarization of traditional values, i.e. that hitherto moderate cultural values will become more hardened. On the other hand, the position is held that encounters with other cultures bear a chance of reciprocal adaptation that will bridge the gap of regional and national value differences.

Prominent proponents of both positions can be found. The first position has been advocated by Samuel Huntington in his essay “The clash of civilizations?” (1993), outlining a future where the “great divisions among humankind and the dominating source of conflict will be cultural” (Huntington, 1993, p. 22). The second position may be found in the work done by Geert Hofstede, based on a survey of work-place

values in more than 50 countries (cf. Hofstede, 2001). Hofstede states that cultural diversity results from culturally different solution strategies to cope with a limited set of basic problems common to all humans. In his view, local thinking and global acting do not mutually exclude each other, but, instead, may lead to a common synthetic culture.

Another proponent of the second position is Francis Fukuyama (1995). According to Fukuyama, every cooperation—may it be at a regional or a global level—is based on sociability and mutual trust. Although there exists a universal human need for sociability and trust, there are considerable cultural differences with respect to the degree to which this need will be fulfilled and the way in which this is carried out. Critical factors are the kind and radius of family relationships, of extrafamilial relationships, of value orientations, and of religion that differ from culture to culture. To a great extent, the economic success of a culture or subculture depends on the mutual interaction and balance of these factors. In contrast to Huntington, according to Fukuyama, the concurrence of different cultures may initiate a learning process leading to improvement strategies and synergic effects.

The second position is also supported by philosophical research on collective socio-historical memory. This research attempts to find an answer to the “asking on being” (“asking on Dasein”) in the people’s world, it helps to specify the essence of an objective character of social processes or events and the essence of ethno-cultural diversity for the contemporary world. Problems of commemoration and ethno-cultural diversity are especially important topics, because they are related to aspects of the promoting of democracy to the East (cf. Albrecht & Schlumberger, “Waiting for Godot”, 2004).

The controversy between “clash” and “challenge” is viewed in the present contributions from an interdisciplinary perspective and from different vantage points. Two mutually interdependent parts constitute the structure of the book. The first part addresses the administrative-political reforms in contemporary Russia. It stays in the focus of top philosophy and social field research which touches upon cultural and historical, ethno-confessional, social and political, organizational and technological aspects of life in contemporary communities. From a theoretical point of view, the contributions aim at a deeper understanding of the nature of differences in social self-organization and social solidarity between East and West, and help to identify societal characteristics, which may support the possibilities of a mutual transfer between East and West. From a practical point of view, the contributions aim at a more pointed diagnosis and settling of social conflicts due to ethno-national reasons in Russia and other countries.

The second part of the book focuses on the cultural aspects of human resources management. It addresses similarities and differences in values, work motivation and decision-making in different cultures and proposes opportunities for international cooperation. From a theoretical point of view, future trends of cultural divergence and cultural convergence are outlined. From a practical point of view, concrete examples of international cooperation in the fields of economics and education are presented and evaluated.

## References

- Albrecht, H. & Schlumberger, O. (2004). "Waiting for Godot": Regime change without democratization in the Middle East. *International Political Science Review*, 25, 371-392.
- De Vries, J. (1988). *Analytical overview of the literature on ethno-cultural community development and integration*. Ottawa: Policy and Research, Multiculturalism, Multiculturalism and Citizenship.
- Fukuyama, F. (1996). *Trust, the Social Virtues and the Creation of Prosperity*. New York: Free Press.
- Government of Canada (1995). *Executive summary: Aboriginal self-government: A summary of the Government of Canada's approach to implementation of the inherent right and negotiation of aboriginal self-government*. Ottawa. Minister of Public Works and Government Services Canada.
- Hofstede, G. (2001). *Culture's Consequences*. 2nd edition, London: Sage.
- Huntington, S. P. (1993). The clash of civilizations? *Foreign Affairs*, 72, 22-49.
- Katznelson, I. (1996). *Liberalism's crooked circle: Letters to Adman Michnik*. Princeton: Princeton University Press.
- Kucuradi, I. (Ed.) (2002). *Human rights in Turkey and the world in the light of fifty-year experience*. Ankara: Hacettepe University.
- Walzen, M. (1997). *On toleration*. New Haven: Yale University Press.



*Part I:*  
*Administrative-political reforms*  
*in Russia's regions:*  
*Political, economical and cadres' sources*  
*in comparative perspective*



***Regional dimension of administrative reforms:  
Political, economical and cultural aspects***



# Chapter 1:

## The political and economic after-effects of political-administrative reform and of changes in structures and regional authority institutions\*

ANDREY V. DAKHIN

### Abstract

Changes of institutions and structures for regional policy in 2004-2006 years are took place under influence of federal and local factors. The main actor of the federal influences is the new ruling nomenklatura which is created under the direction of President Putin. In the frame of 2004-2006 period the aim of administrative reform is a protection of passing of the presidential power to a successor on the level of new ruling nomenklatura in 2008. In this context the contradiction between the principle of loyalty and the principal of professional competence is appeared. The pictured aim is reflected on the regional level as the task to provide a loyalty of local elites for new federal nomenklatura which is presented by a governor.

The governor of Nizhegorodskaia Oblast aspires to concentrate a maximum of resources for personal political and administrative influence at the regional level. Interests of other groups of the regional elite are partially submitted inside of local authority too, because some elements of multi-parties system are existed, but in the field of public policy not. In the sphere of public policy channels of influence of the population on activity of regional authority are reduced. In short-term planning it provides a “controllability” of region allows saving on social debates. In long-term planning at the level of regional elites it can result in conflicts of interests worsening a conditions of development of regional small and average business and raising costs of protection against a social mistrust. The new nomenklatura’s centralization deforms

---

\* To better understand this article, it is important to know that the Nizhny Novgorod region was formerly a forbidden zone. The famous atomic physicist A. Sacharov lived and worked there. Foreigners were not allowed entry. After the end of the Cold War, the military-industrial complex fell into deterioration, but was subsequently offered for privatisation at nominal sums. It thus became a potential breeding-ground for corruption. [Eds.]

and/or destroys structures of the local collective social-political memory, local regional identity and it increases risks of development after alternation of the governor.

## Резюме

Изменения институтов и структур региональной власти происходит под влиянием как федеральных, так и региональных обстоятельств. Главным источником импульсов административной реформы 2004-2008 гг. является *новая правящая номенклатура*, формируемая под руководством Президента Путина. В рамках 2004-2008 гг. цель этой реформы состоит в том, чтобы обеспечить гарантированную передачу федеральной власти на уровне новой номенклатуры. При этом в системе власти возникает противоречие между принципом лояльности и принципом профессиональной компетенции. Названная цель проецируется на уровень регионов в виде установки на обеспечение политической лояльности региональной элиты по отношению к новой правящей номенклатуре, представленной в лице губернатора.

На региональном уровне губернаторы стремятся сосредоточить максимум ресурсов политического и административного влияния. Интересы региональных групп региональной элиты частично представлены во власти благодаря сохранившимся элементам многопартийности, но на уровне публичной политики не артикулированы. В сфере публичной политики каналы влияния населения на деятельность региональной власти сокращаются. В краткосрочном плане это повышает «управляемость» региона, позволяет экономить на социальных дебатах. В долгосрочном плане на уровне региональных элит это может приводить к конфликтам интересов, ухудшающим условия развития малого и среднего бизнеса и повышающим издержки социального недоверия. Номенклатурная централизация деформирует или разрушает структуры коллективной политической памяти регионального сообщества, разрушает региональные идентичности и значительно усиливает риски, связанные со сменой губернатора.

## Foreword

Drawing a large theoretical frame for an analysis of the political-administrative changes in Russia, the article presents some key theoretical hypotheses to analyze the political-administrative changes in Russia's regions today. It also describes key features of the federal political process. In the foreword, the theoretical background will be presented; subsequently, the key points of the federal political-administrative changes will be explained, and the final section will show trends for the Nizhny Novgorod region and future perspectives. The article suggests how the new nomenklatura structure has appeared at the federal level and how it has influenced the regional political process in 'Nizhegorodskaja Oblast'.

## Historical context

Changes in the Russia of today are at a historical stage that was preceded by two earlier steps. These earlier phases had their own general direction of change and had not only positive, but also problematic or negative aspects. They are explained in Table 1. In the first column, a period of time is marked. In the second, there is a short description of the general direction of political-administrative change, including a key positive aspect (it is marked as “+”) and a key problematic aspect (it is marked as “-”).

**Table 1:** Direction of changes from 1985 – 2008

Years	Direction of changes	
1985-1990	From “A totalitarian society” toward “The State – A civil society”	
	+	The beginning of a mentality transition in State Power
	-	Radical contradictions within the Soviet nomenklatura
1985-1990	Diversification of political and social institutions	
	+	Deconstructing of Soviet nomenklatura institutions
	-	Appearance of client-recipient structures of the State Power and anomy on the level of political elites
2000-2008	From the anomy of political elites toward a consolidation of political elites	
	+	Unification of State Power activities by the creation of a new State nomenklatura network
	-	Domination of the principle of nomenklatura loyalty over the principle of professional competence.

## Theoretical context

There are two theoretical hypotheses which help to describe and to understand the contemporary processes:

1. the hypothesis of the mental transition in State Power and
2. the hypothesis of collective political-historical memory.

### The hypothesis of mental transition

To understand this aspect, it is necessary to look at the system of State Power as a “machine” of collective thinking, as a specific “think tank” (or as “the big thinker”). In this light, there are strong reasons to suggest that since 1985 changes in the thinking and self-understanding of the political class have come about.

The system of State Power started to look for an answer to the question: “Who is the State Power?” More popular was the question: “Who is Mr. Putin?”, and now the question is “Who is Mr. post-Putin?”. On the one hand, the state order started to move away from the principle “*one state - one actor in politics and policy*” to the principle “*one state—many actors in politics and policy*”. On the other hand, the self-understanding of the political class is changing from the principle “*to act on behalf of the nation/narod and for the nation/narod*” towards the principle “*to act on one's own initiative and according to one's own competence and jurisdiction*” (Dakhin, 2006a). The last principle reflects the well-known idea of partly independent relations between “a state” and “a civil society”. This is the basic level of the mental transition.

### **The hypothesis of political memory**

Problems of collective memory and commemoration have been studied by Michel Foucault (Fuko, 1996), Abraham A. Moles (Mol', 1973), Pierre Nora (Nora, 1989), Francis A. Yates (Yeits, 1997), Patrick H. Hutton (Chatton, 2003), Maurice Halbwachs (Halbwachs, 1980), Yael Zerubavel (Zerubavel, 2004) etc. There are interesting new institutionalism studies in the field of political science, in particular the idea of “organizational memory” by B. Rocman (Rocman, 1994, p. 150).

In brief, there are two elements of the collective memory—“a persona” and “an institution”. In the Western culture of political commemoration (the US, in particular), “an institution” is the key location of memory (“*les lieux de mémoire*”, to use the term of P. Nora). In Russia, the key is “a persona”. So, in Russia, changing personnel changes the memory traces. Beside which, the institutional memory equipment for “the big thinker” is very unsustainable in modern Russia and the “memory film” can be partly erased under different political leaders (“amnesia”). So, a kind of personalism dominates in the system of State Power (Dakhin, 2006b). This is why the coming presidential elections in Russia in 2008 mean huge stress for the State bureaucracy system and why top political elites are afraid of these elections.

## **Federal political changes**

Political-administrative changes started after the presidential elections in 2000, but the active phase began after the 2004 presidential elections. The peculiarity is that these changes do not take the form of institutions, but are structures for ruling. This is specifically the “structuralism” of Russian Power. I'm using the term “structures” because these new ruling instruments do not have an own and sustainable “organizational memory”, and also they can not only be created quickly, but also quickly deleted.

### **A list of key federal changes**

In particular, political-administrative changes are contained in the following key projects:

- The reorganization of the federal government in August 2004 (reduction of the number of officials, division of the Government's departments into three levels):
    - the "ministry" (for executive functions),
    - the "service office" (for state services) and
    - the "agency" (for control).
- This was not a success. In November 2005, the structure of the Government was changed again. The new post of first deputy to the Government's Chairman was created, to which D. Medvedev was appointed.
- Establishment of the Commission of the President of the Russian Federation on the Perfection of State Management.
  - The reform of the Office of the Russian President.
  - The reform of the Offices of the Plenipotentiaries of the President in Federal Districts.
  - Changes to the Federal State Security Service.
  - The reform of the election system for deputies to the Duma, a transition from a mixed to a proportional system, changes to the regulations for free referendums and for Presidential elections.
  - The Federal Law on the calendar overlapping of elections at different levels (Federal Law—"On modification of clause 82 of the Federal Law". About the basic guarantees of the suffrage and right of participation in referendums of the citizens of the Russian Federation" and amendment to clause 84 of the Federal Law, "On the general principles of organization of local self-management in the Russian Federation") and the similar Acts in the regions.
  - The Federal Law on the cancellation of the tax on inheritance and gifts to relatives; the law essentially facilitates the transfer of large sums of capital along a line of relatives.
  - The reform of the territorial-administrative division of the Russian Federation, that is, a program of enlargement of the regions by means of their association.
  - The reform of the system of free elections to the office of Governor.
  - The redistribution of authority between the federal center and the regions.
  - The reform of the system of municipal self-management, which was to begin on 01.01.2006. As early as July 2005, these reforms were suspended till 2008.
  - Creation of the Council of the President of the Russian Federation on the Achievement of the National Priority Projects under D. Medvedev. V. Putin is the chairman of this Council; D. Medvedev is the first deputy to the Chairman. In July 2006, some changes were made in the denomination of the Council. Now it is the "Council of the President of the Russian Federation on the Achievement of the National Priority Projects and Demographic Policy".
  - Creation of the National Anti-terrorist Committee (NAK) with N. Patrushev as the head.

- Creation of the Permanent Military-industrial Commission with S. Ivanov as the head.
- Creation of the Public Chamber of the Russian Federation.
- Creation of a number of Kremlin-ruled political movements for young people: “Nashi” [Ours], “Molodaia Gvardia” [Young guards], “Mectnye” [Locals] etc.
- The project of the reform of state services at regional level during 2006-2008 (administrative reform). It was abandoned at the suggestion of the leaders of the “Edinaia Rossia” party on October 2nd, 2006 (Administrativnaia reforma, 2006).

## The political essence of federal changes

The general cause and essence of this reform activity are efforts to create new state nomenklatura. In fact, not believing in selfless support, neither from the side of business, nor from the side of the population, nor from the side of public organizations, V. Putin is counting on a new nomenklatura to guarantee that “Putin’s team” can expect full obedience to its political course.

It is necessary to understand that it is the reaction of the political class in Russia to the threat of internal disintegration, behind which lies the threat of the disintegration of the Russian Federation. This would be a result of the competition between the groups of post-Soviet political elites which arose after the program of privatization, using an “easy election machine” (Dakhin, 2005, p. 59-60). Competition has rather quickly appeared as “a war all against all”. Insider political elites began to take on the phenomenon of “anomy” (Durkheim’s term), that was recognized as a threat to the integrity of the Russian State. The answer to this threat was the creation of the new nomenklatura, initiated not without the participation of the state security services. As far as we can see, the main social and political mission of this project is to restore inside the system of state power a sphere of mutual trust and to make this sphere the key administrative and political actor. Therefore the new ruling nomenklatura is based on

1. structures of personal trust, at whose center the President V. Putin is to be found,
2. structures connected to the state security services,
3. integration with the clergy of the Russian Orthodox Church,
4. influential control over the most profitable sectors of Russia’s economy (so-called “strategic industry”) (Gazeta. Ru., 2004).

Therefore, the new nomenklatura organism does not coincide with the constitutional institutions of the State “anatomically”.

From the functional aspect, the new nomenklatura includes the activities of the constitutional institutions, acting in the role of an exclusive operator managing key relations in politics and in business. To occupy this functional niche, the nomenklatura made some efforts to neutralize the influence of other political actors and

groups, which had not been restricted between 1994-1999. Open signs of these measures were the conflicts with V. Gusinskiy, B. Beresovskiy and in 2003-2005 the investigations against M. Chodorkovskiy and UKOS.

The new nomenklatura structure covers key *administrative* posts/ figures (chairman and ministers of government, the administration of the President of the Russian Federation, governors), key *political* posts/ figures (Chairpersons of the Chambers of the Federal Assembly of the Russian Federation, chairpersons of the parliamentary parties and committees of the Duma, chairpersons of influential political parties), and also owners and key top-managers of strategic sectors of the economy (gas and oil sector, military-industrial complex, federal television and another mass media). The chapter of the Russian Orthodox Church also has a position in the new nomenklatura network.

Competition and contradictions inside the new nomenklatura are a separate important aspect. The formation process of the new nomenklatura only affects the regions in that the Federation's chapters are now its lowest level. But the *competition inside the new ruling nomenklatura* does cause complex, regional and political processes. The main thing is that the nomenclature groups of influence at the federal level avoid the obvious conflicts between themselves (Rbc, 2005; Tsvetkova, 2004). There is a different situation in the territories of the Federation, where competition and contradiction are more open, more frank. This causes regional zones of conflict of interest, where it is necessary to warn or compensate a Governor regarding the consequences.

## The regional level

Traditionally, the Nizhny Novgorod area is considered as a territory, where enough large competing, political, financial and economic groups are represented. The brightest episode of the last two years was a competition of the lobbyists' groups on the "assignment" of the Governor of Nizhegorodskaja Oblast' in 2005 (Dakhin, 2006c; Evstigneeva & Evstigneev, 2003). In 2006, the most appreciable subjects of competition for the political lobbyists in the Nizhny Novgorod area were the person to represent the regional legislative assembly in the Council of the Federation of the RF, the regional law on property rights and land use, and the regional law on the regional Public Chamber. In 2006-2007, one subject of competitive political activity will be the Charter of Nizhny Novgorod city. The Governor, V. Shantsev, has more than once expressed his wish to cancel free elections for the Mayor of Nizhny Novgorod city (Shantsev, 2006). More windows for future, regional political competitions will be open in 2006-2008. In particular, there were declarations of intent in August 2006 about uniting such parties as the "Partia Zhizhni" (the Party of Life), "Partia Pensionerov" (the Party of Pensioners) and the Party "Rodina". The Governor of the Nizhny Novgorod area is interested in the creation of strong Nizhny Novgorod branch of the new party. He can help it to be a key regional actor, but the regional branch of "Edinaia Rossia" ("Uniform Russia") may lose its leading position in the region. In Nizhny Novgorod city, the field of political competition and contradictions

is focused on the relationship of “the Governor vis-à-vis the Mayor of Nizhny Novgorod city”. Regional public opinion is prepared for future changes in the power balance between the Governor and the Mayor when public revelations are made and criticism of the Mayor’s activity is publicised (NTA-Privolzh’e, 2006a; NTA-Privolzh’she, 2006b; NTA-Privolzh’she, 2006c; Kocherov, 2006, p. 1). It is quite probable that the lobbying of changes to the Charter in line with the Governor’s interests will be brought to a successful conclusion.

## The content of regional changes

There were changes in the electoral system for Nizhny Novgorod city’s Duma; the transition from a majority to a mixed system of elections, where 30 % of deputies are selected on the proportional system (Migacheva, 2004, p. 3; Kulagina, 2004a; Kulagina, 2004b); changes of structure in regional Government undertaken in September 2005 by the new Governor of the Nizhny Novgorod area; the reform of land use in the Nizhny Novgorod area, acceptance of the local law “On the regulation of land use”, which has ensured the concentration of functions on land management under the Governor’s supervision (Afanas’eva, 2005; NTA-NN, 2005).

Beside this, as a result of the federal innovations, the Governor is directly in the sphere of influence of a number of federal officials. He is in the sphere of influence of D. Medvedev on the Council of the President of the Russian Federation on the Achievement of the National Priority Projects and Demographic Policy, because the Governor, V. Shantsev, himself is a member of this Council. He is in the sphere of direct influence of N. Patrushev on the National Anti-terrorist Committee, because he is a member of the regional division of the NAK. He appears again in the sphere of direct influence of S.Ivaniv, because Nizhegorodskaja Oblast’ is traditionally a part of the Russian military-industrial complex. As a territory where a Federal nuclear center is placed, it is an area subordinate to “Rosatom”, where the influence of the former plenipotentiary of the President in the PFO and the present head of “Rosatom”, S. Kirienko, is strong. Last but not least, after the cancellation of the free elections to the Governorship, the Governor has amplified the opportunities of direct influence by the Chief of the Administration of the President, S. Sobianin. These circumstances mean that all the persons named, who have been historically connected with and have some political affinity to V. Putin, will, in the light of events in 2008, become competing political actors. Therefore, despite his formal involvement in the “vertical axis of authority”, the Governor appears to be in a situation of increased uncertainty, which will inevitably constrain his independence and favour his choosing the position of “waiting in the wings”, of being “man who can wait” in the “federal–regional” dimension.

The influence of federal political actors on the Governor’s behavior is partially compensated by the Governor’s attitudes to subordinate, local political and economic processes. The Governor aspired and will aspire in the period 2006-2008 to ensuring the complete loyalty of the legislative assembly concerning decisions by the regional government (according to the principle “Do as they do in Moscow”). Similarly, V.