Informal and formal networks in post-socialism: A synthetic analysis of access to networks in Mongolia

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Abstract: Formal and informal social networks have different roles and meanings in different societies. Some scholars argue that people in the socialist countries used to rely on the use of their networks more than in developed capitalist countries, and that use of networks became more widespread in the post-socialist era. Indeed, some showed that formal networks or formal organizational memberships are much less popular in post-socialist societies. This paper aims to clarify these arguments in a synthetic way drawing on the case of post-socialist Mongolia through analyzing data from a recent cross-national survey in combination with some qualitative evidence. In addition, the paper examines the differences in access to social networks among the populace to show inequality of access to networks and how meanings of networks can be different for population groups. The paper shows that except for the high percentages of membership in political parties, people are reluctant to join formal networks in post-socialist Mongolia, whereas they are more willing to maintain ties to informal networks. Furthermore, there are significant differences between population groups in regards to access to social networks that is at least in part determined by the positional or structural advantage of ego. The findings imply that in post-socialist societies the meaning and use of networks are embedded in the legacy of the socialist past and uncertainties of the socio-political transformation.

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1. Introduction

Formal and informal social networks may have different roles and meanings in different societies. Some scholars, for instance, argue that people in the socialist countries of Central and Eastern Europe used to rely on the use of their networks more than in developed capitalist countries, and that the use of networks or network capital became more widespread in the post-socialist era (Sik and Wellman 1999). A recent study shows that the networks (informal) have become ‘monetarized’ and less accessible to disadvantaged groups and the poor in the former socialist countries (Kuehnast and Dudwick 2004). In these countries, particularly in the less developed ones characterized by economic instability, corruption and social segmentation, networking becomes increasingly important as a means of getting things done (Sik 1994, Ledeneva

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1997). In the Soviet period, people used connections, an exchange of “favors of access” to public resources in conditions of shortages and a state system of privileges, on many occasions such as obtaining foodstuffs, goods, entering a university, and finding a job (Ledeneva 1997: 37). The networks were associated mainly with mutual help, beating the system, and cooperation on a micro level. However, in the post-socialist period, those connections and networks that already existed changed their nature and functions by taking more ‘monetary’ and instrumental characters and by facilitating ‘corruption.’ Moreover, networks became more ‘closed’ turning into clubs or circles and less accessible for the poor (Ledeneva 2004: 10). Indeed, the widespread use of networks in local government institutions and the political sphere in Eastern/Central Europe and the former Soviet Union has been revealed in recent studies (Miller, Grødeland, and Koshechkina 2001; Grødeland 2007; Dobovšek and Meško 2008). A common implication of these studies is that the use of informal networks and connections is largely a response to problems and opportunities caused by transition; however as Rose (1998: 12) noted, the manner in which it is expressed, to quite some extent reflects the national culture and communist experience. Similarly, as David Sneath points out, the increasingly monetized use of personal connections to gain advantage in education, health, business, and bureaucracy in Mongolia have generated resentment, particularly among those who are unable to afford to engage in them (Sneath 2007: 108).

Indeed, some scholars argue that formal networks or formal organizational memberships are much less popular in post-socialist societies. This has been explained by the legacy of socialist past when mass organizations with a coercive or semi-coercive nature of membership existed. Also, the uncertainties among the populace and widespread mistrust in public institutions in the period of post-socialist transition have influenced the value of any kind of formal associations (Howard 2003).

This paper aims to examine formal and informal networks in a synthetic way, drawing on the case of post-socialist Mongolia through analyzing data from a recent cross-national survey in combination with some qualitative evidence. In addition, the paper examines the differences in access to social networks among the populace to show inequality of access to networks and how meanings of networks can be different for population groups.

2. Research methods and data

The main data used in this study is derived from the Asian Barometer Survey (ABS). ABS is a comparative survey of public opinion on political values, democracy, and governance around the region. Some variables of the survey were particularly useful in the analysis: numbers of formal groups, numbers of informal groups and circles, and the three most important informal and formal groups a person belongs to. This study used data from 2003 and 2006 ABS depending on the availability of the relevant variables in the surveys. The survey employed stratified random sampling and face-to-face interviews with standard questionnaires. The valid responses of the Mongolian surveys of ABS were 1144 in 2003 and 1211 in 2006. In addition, data from field research conducted in Mongolia was used. In total, 15 rural (Arkhangai province) and urban (Ulaanbaatar city) families were interviewed. Interviews were mainly focused on the differences in access and use of the networks of the poor and non-poor.
3. Involvement in formal associations (formal networks)

Formal networks here connote formal associations. Associations have formal structures, rules and roles that govern how the members should act in certain cases. To survive over time, associations must recruit and maintain members. While informal friendship networks are defined by the ties between individuals, formal associations survive beyond any particular member or internal social network (Paxton 1999). The involvement or membership in formal associations in post-socialist societies has been reported as relatively low. In the case of Mongolia, as in other socialist countries, there had been many mass organizations, such as trade unions, and women’s and youth federations before 1990. The organizations had thousands of members and extensive social reach. 94.7 percent of all workers in the various branches of the national economy, for instance, were registered as members of trade unions in 1984 (Sanders 1987: 76), and the youth federation reported that it had over 280 thousand members aged fifteen to thirty-five years (Academy of Sciences 1990: 164). When the socialist regime collapsed in the late 1980s, obviously, these organizations lost their initial meaning. However despite this, many of them survived in the post-socialist era, though with a much lesser extent of activities and membership.

By the same token, thousands of non-governmental organizations (NGOs) emerged in various fields of action. However, the level public involvement in these organizations has been persistently low. Table 1 reports the frequency of Mongolians who joined as members in associations in comparison with Japanese, Korean, Thai, and Taiwanese members. One third (33.8%) of the Mongolian people identify themselves as members of formal organizations such as political parties, trade unions, and voluntary associations. At first glance, the table shows relatively even levels of associational membership in these countries, except Japan. However, the lower value in sub-column II in Table 1 show the percentage of the members in formal associations, not including members of political parties. As such, only about 10 percent of Mongolians are members in the associations.

The percentage of membership in political parties is nearly the same in the two surveys. In comparison with other countries (Japan 1.0%, Thailand 1.7%, and Taiwan 10.2%) Mongolia’s 22.5% percent is the exception. Some scholars noted that this might be related to the legacy of state-mobilized group activity under the Communist rule for more than a half century (Min and Lee 2007: 7). A more important factor, however, is the rivalry among political parties in Mongolia. Since the democratic revolution of 1990, all the major political parties have competed

<table>
<thead>
<tr>
<th>Number of Membership</th>
<th>Mongolia</th>
<th>Japan</th>
<th>Korea</th>
<th>Thailand</th>
<th>Taiwan</th>
</tr>
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<td>I II</td>
<td>I II</td>
<td>I II</td>
<td>I II</td>
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<tr>
<td>0</td>
<td>66 90</td>
<td>28 30</td>
<td>76 78</td>
<td>76 76</td>
<td>70 72</td>
</tr>
<tr>
<td>1</td>
<td>23 7</td>
<td>27 27</td>
<td>13 12</td>
<td>19 19</td>
<td>20 19</td>
</tr>
<tr>
<td>2</td>
<td>7 2</td>
<td>23 22</td>
<td>6 6</td>
<td>3 3</td>
<td>7 7</td>
</tr>
<tr>
<td>3 ≤</td>
<td>4 1</td>
<td>22 21</td>
<td>5 4</td>
<td>2 2</td>
<td>3 2</td>
</tr>
<tr>
<td>Total (%)</td>
<td>100 100</td>
<td>100 100</td>
<td>100 100</td>
<td>100 100</td>
<td>100 100</td>
</tr>
<tr>
<td>Total (N)</td>
<td>1211 1211</td>
<td>1067 1067</td>
<td>1212 1212</td>
<td>1546 1546</td>
<td>1587 1587</td>
</tr>
</tbody>
</table>

Note: I = Including all associations, II = Not including political parties
Source: 2006 ABS (Variable: number of formal group)
through the number of their respective members. This was particularly extensive before parlia-
mentary elections. The statistics provided by the political parties claim that more than 60 percent
of all voters in Mongolia are members of a political party (Supreme Court of Mongolia 2008).
Indeed, the political party plays a central role in Mongolian politics. Moreover, they matter to
people's lives at least in part because the separation between public servants and political party
membership has not been well defined. According to ABS 2003, over 10 percent of the people
who were a member of at least one formal association agree that political parties matter to them
more than other organizations such as trade unions and voluntary associations. The mean
differences between the population groups, in regard to whether they think political parties matter
to them most or not, were not significant in most categories except for place of residence and
monthly household income. Rural residents and lower or higher income groups perceive the
importance of political parties more than the middle income groups. Besides, the perception of
importance is slightly stronger among public servants, especially in rural regions. This is in part
related to the persistence of patron-client type relationships in government and administrative
institutions. As shown in Wegerich's (2006) study, the use of networks for the positioning of
relatives and friends in public offices was critical in the Uzbek case. Moreover, the financial
transactions for taking or keeping a position in a public office have become critical too. In
the case of Mongolia, having strong ties to the dominant political parties or politicians may directly
facilitate taking up of a position in the state. As the director of a sum's (county) secondary
school explained: ‘One has to have good connections with politicians to keep your position. My
position really depends on which political party or which candidate wins in the elections.
Though you save your position, it is hard to work under the supervision of someone who has
an interest to position a person of his/her own circle. Politics smashes the normal way of
working. This year, the election will be held. Recently, one of the teachers of our school, who
I thought was my friend, has begun to work against me in various ways. I heard that a
candidate for the parliamentary election from our electoral district had promised my position to
him if my colleague works successfully for him in his campaign. So now I am thinking I must
take part in the local election by representing a political party. Having a position in the local
khural (council of elected representatives), hopefully, is better for my career’” (Anonymous,
Interview by the author, 2008).

Labor unions are seen as having more members than the other associations, except political
parties. Although the role of labor unions declined to a greater extent among the labor force,
due to the structural changes in the economy and the overall transformation of society since the
1990s, union membership has maintained its past inertia particularly in the public organizations.
Membership in labor unions thus is relatively high in Mongolia (3.4%) compared with other
countries (Korea 1.8%, Vietnam 2.8, all other countries <1.0%) covered by ABS 2006, except
Japan (6.7%). Charity organizations, placed third by the number of members, are represented
mainly by the Red Cross Association of Mongolia, which also used to operate in the socialist era.
The Association has kept its nationwide networks of local committees, which subsequently
became the membership base. One of the least popular formal associations is residential or
community organizations in Mongolia. Whilst Japan (45.8%), Thailand (13.9%), Taiwan (3.8%) and
other countries included the survey have relatively higher level of citizens’ involvement in
community associations, Mongolia lacks associations at the community level in rural (0.4%) and urban areas (0.9%). In the cities, apartment owners’ associations have recently begun to operate, however, with a very limited involvement of the residents. In the ger (round, white felt tents) districts, initiatives for community development have been reported, but as a whole there is no evidence of typical community associations. Difficulties in facilitating cooperation and associations in rural areas beyond kinship links have been discussed (Mearns 1996, Fernández-Giménez 2002). As Upton (2008) found over 20 percent of herders in the bags (the smallest administrative unit) she studied were unable to identify any external organizations or groups, beyond their own khot ail (group of households), on whom they relied regularly in pursuit of their livelihoods.

These findings show that the number of linkages via formal networks among Mongolians is few and the existing linkages are not open or horizontal in nature. Most of the linkages are through the organizations inherited from the socialist era, which to a certain extent have kept their membership base. The high percentage of the membership in political parties perhaps reflects, on the one hand, the effects of ‘catch-all’ policies of political parties, and on the other hand dependence of a large portion of the populace on political circumstances.

4. Informal networks beyond kin and kith

The critical importance of informal networks to Mongolians has been acknowledged in common idioms. Idioms like Taniltai bol taliin chinee (If you have acquaintances, then you can reach across the steppe) well illustrate the importance of networks. Although the importance of networks is crucial in socialist and post-socialist eras it certainly pre-dated these eras (Sneath 1999, 142). Whether the networks are composed of close or distant kin, friends or acquaintances, neighbors or neg nutgïnkhan (people from the area in which one was born or grew up), having closer or stronger bonds with them has been a source of various kinds of supportive resources. Although the strength of ties a person has with the members of a network is important, in certain cases the moral and social obligations of the relationships between them play a key role in the act of providing support. Sneath (1999) presented detailed analysis of peculiarities of the networks in Mongolia, investigating the structure and different aspects of social networks in rural Mongolia. Sneath (1999: 144) took social networks as ‘social relations that exist in reality’ and proposed the term ‘social relations of obligation’ to describe the nature of social networks. The general structure of social networks in Rural Mongolia, as illustrated by Sneath, is that there is a high intensity of the bonds between members of the ‘ritual family.’ Depending on a given time or situation, relationships with close and distant kin, friends, and even acquaintances then selectively become the second most important network.

The 2003 ABS has a section devoted to exploring informal groups or circles in which people are involved. Definitions of informal networks include a limited number of people who know each other and are linked together and have patterned and recurring interactions. Unlike formal networks, these networks do not have written rules or a formal organizational culture. Informal networks are based on the objective of achieving a reciprocal exchange of information and favors — with no rules — sharing advice freely, expanding the network at will, inspiring each other, achieving personal goals, and helping each other obtain business and career advantages (Wierzgac
Most studies on informal networks take a particular case to investigate its structure and functions. This usually involves analyzing whole networks or all the nodes and ties within a network. However, seeing networks, particularly informal networks from the personal network approach has certain advantages. Personal networks are commonly understood as all the direct and indirect links that connect a person to other people or groups. Wellman, for example, calls networks personal communities (Wellman 1988). The loosely coupled networked nature of contemporary society means that social support does not come reliably from one group. Rather, it comes contingently from a variety of ties and networks. People navigate nimbly through partial involvements in multiple networks, giving and getting network capital (Wellman, Côté and Plickert 2006: 2). Thus, the informal networks are taken here as including informal circles such as coworkers, alumni, and friends.

More than half of Mongolians (63.7%) have ties to at least one network beyond their kin. As seen in Table 2, Mongolians are more likely to have ties to the multiple networks than other countries compared here. In the case of other countries, the percentage decreases when the number of groups of people involved increases. Conversely, in the Mongolian case, it increases. This implies the persistence of many crosscutting ties or linkages among the networks. There are relatively even frequencies of the number of informal network members. The most popular circle or group in which people are involved is a circle of friends who exchange information. There were not any significant differences among socio-demographic groups in respect to involvement to the circle of friends except among the ethnic groups. Kazakhs, an ethnic minority in Mongolia, had higher involvement in this type of networks (73.7%) than the majority (31.0%).

One-fourth of Mongolians are likely to join informal circles of coworkers. Compared to Japan (19.6%), where the involvement in this sort of network is the highest among the other countries, for instance, this figure is relatively high. The legacy of the socialist era norms of collective solidarity probably has an effect on the involvement in informal networks.

Networks of former classmates or alumni seem to be common elsewhere in the world. For example, Koreans (24.4%) seem to join the alumni circles or groups more than Japanese (19.6%). However, we find a rather lower level of involvement in Taiwan (3.7%) and Thailand (2.3%). In Mongolia, people are likely to keep their school or university years’ ties. People living in the capital city are seen to be more likely to keep these sorts of ties than the people of rural regions. In certain spheres of occupation or institutions extensive informal networks of classmates or alumni are reported to exist. In law enforcement institutions, for instance, where the number of

<table>
<thead>
<tr>
<th>Number of Groups</th>
<th>Mongolia</th>
<th>Japan</th>
<th>Korea</th>
<th>Thailand</th>
<th>Taiwan</th>
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<tbody>
<tr>
<td>0</td>
<td>44.3</td>
<td>51.0</td>
<td>52.8</td>
<td>86.7</td>
<td>62.8</td>
</tr>
<tr>
<td>1</td>
<td>13.7</td>
<td>23.6</td>
<td>34.3</td>
<td>11.2</td>
<td>25.2</td>
</tr>
<tr>
<td>2</td>
<td>15.8</td>
<td>14.4</td>
<td>11.0</td>
<td>1.3</td>
<td>8.2</td>
</tr>
<tr>
<td>3≤</td>
<td>26.2</td>
<td>11.0</td>
<td>1.9</td>
<td>0.8</td>
<td>3.7</td>
</tr>
<tr>
<td>Total (%)</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td>Total (N)</td>
<td>1144</td>
<td>1418</td>
<td>1500</td>
<td>1546</td>
<td>1407</td>
</tr>
</tbody>
</table>

Source: 2003 ABS (Variable: number of private groups or circles)
educational institutions is very limited, tight and active informal networks among classmates are not rare.

Whom you consider as a friend seems to vary in different cultural contexts. At least in the Mongolian case, presumably the category ‘circle of friends who exchange information’ connotes ‘more or less close friends’ in general. Thus, it could be assumed that this category covers the other types of circle or group. For example, one can have a circle of friends which includes both friends from school years and current coworkers. There are many ties between individuals across various networks (see, Table 3). However, the point of intersection is more frequent between the category of ‘friends’ and the others, which perhaps reflects the composition of personal networks of friends. In other words, people who are in circles of alumni, coworkers, or loaners/creditors are all considered as ‘friends who exchange information’.

5. Accessing the networks: differences across population groups

Seeing networks through the concepts of social capital has been useful in other to understand the meaning of the relationships within it. In social capital theories, social networks are conceptualized in different ways. In Bourdieu’s definition, for example, social capital consists of those resources that an actor can obtain through the exploitation of his/her network of interpersonal networks. Any kind of resource can be obtained through interpersonal networks (Chiesi 2007: 438). On the other hand, the acquisition of social capital requires deliberate investment of both economic and cultural resources (Portes 1998: 4). While Putnam distinguishes different types of social networks, such as formal or informal, thin or thick, bringing or bonding, and inward-looking or outward-looking ones with the assumption that their effects on individuals, groups, and society are different (Putnam 2004), Lin emphasizes resources embedded in the social networks of individuals, which can influence the success of achieving one’s desired outcomes and goals (Lin, Cook, and Burt 2001).

Though the concept of social capital varies, for example, from whether it refer to collective or individual assets, macro or micro level, and dependent or independent variables, the network parts are not really different if seen as personal networks. All the direct and indirect ties and connections that a person possesses in regard to other people or groups are generally referred as

<table>
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<tr>
<th>Table 3. Crosscutting ties between informal networks</th>
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<td></td>
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<tr>
<td>Coworkers</td>
</tr>
<tr>
<td>Alumni</td>
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<tr>
<td>Hobby</td>
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<tr>
<td>Business</td>
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<tr>
<td>Friends</td>
</tr>
</tbody>
</table>

Note: The frequency of intersection of each pair of networks was estimated.
Coworker — Circle of colleagues who interact out of work, Alumni — Group at community schools or other place of learning, Hobby — Group of common hobbies, Business — Business related circles or groups, Informal loan/credit — Informal credit/loan groups, Friends — Circle of friends who exchange information
Source: 2003 ABS Mongolia (Variable: Are you a member of any private groups, circles or regular gatherings? If yes, please tell me the three most important organizations or formal groups you belong to)
personal networks. Access to different networks and consequently to the resources embedded within the networks are unequal over the population. The formation of relationships is determined by conditions of the individual level (personality traits, personal resource collections, and investments in relationships), the macro-level (political climate, geography), and the interaction of both (the position of the individual in society) (Van der Gaag 2005). Having access to social capital, and the use of it, as noted by Lin (2001: 245) is unequal in a sense that conditions facilitating social capital are different over the population. Using the 2003 ABS data, this study analyzes how access to formal and informal networks varies across the socio-economic categories of population in Mongolia. To determine the access to the networks, types of access were created from two variables of the survey: a number of formal groups and a number of informal groups involved (See Table 4). Having only one formal or informal network affiliation is not sufficient to regard someone as being an informal or formal network member, due to the high frequency of political party affiliation and crosscutting ties between informal networks among Mongolians. There are some notable differences within the categories. People with primary or lower education are more likely to lack access to any networks than the people of other categories. Conversely, studying in high school, and college or university, seem to broaden one’s opportunity to join different networks and later to keep the ties to them. Certainly, the strength of college or university ties are more likely to be greater than the others. On the other hand, having a higher education seems to lessen the likelihood of lacking access to networks, possibly due to the

<table>
<thead>
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<th>Table 4. Involvement in social networks: Socio-demographic differences</th>
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<tbody>
<tr>
<td></td>
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<tr>
<td>Total</td>
</tr>
<tr>
<td>Gender</td>
</tr>
<tr>
<td>Male</td>
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<tr>
<td>Female</td>
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<tr>
<td>Marital status</td>
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<tr>
<td>Married</td>
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<tr>
<td>Single</td>
</tr>
<tr>
<td>Area</td>
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<tr>
<td>Urban</td>
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<tr>
<td>Rural</td>
</tr>
<tr>
<td>Education</td>
</tr>
<tr>
<td>Primary</td>
</tr>
<tr>
<td>Secondary</td>
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<tr>
<td>High &amp; &lt;</td>
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<tr>
<td>Social status</td>
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<tr>
<td>(subjective)</td>
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<tr>
<td>Upper</td>
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<tr>
<td>Upper middle</td>
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<tr>
<td>Middle</td>
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<tr>
<td>Lower middle</td>
</tr>
<tr>
<td>Lower</td>
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</tbody>
</table>

Note: Five categories were created from the cases of two variables: informal group number (1–3) and formal group number (1–3). None= not having any ties to either informal and formal networks, Informal networks only= Having ties to only informal networks and not having ties to any formal networks, Formal networks only= Having ties to only formal networks and not having ties to any informal networks, Multiple networks= Having ties to both formal and informal networks, All networks= Having ties to all six networks (three formal and three informal)

Source: ABS 2003 Mongolia
effects of socialization. A similar tendency is seen in the category of 'subjective social status'.
The higher the social status, the lower the likelihood is to be out of networks. However, here it
is seen that people, who perceive their social status as lower or lower middle are more likely to
have more informal ties than the formal ones. Furthermore, 'white collar' workers have lower
likelihood to lack access to networks, and, contrarily, more likelihood to be a member of all
networks. The opposite of this tendency is seen in the cases of farmers, manual workers, and
people not doing paid work. There were no significant differences within other categories such
as gender and age. A slight difference is seen between people in urban versus rural settings.
People relying only on informal networks are more likely to be in rural areas than in the cities.

6. Conclusion

This paper shows that, except for the high percentages of membership of political parties,
people are reluctant to join formal networks in post-socialist Mongolia, whereas they are more
willing to maintain ties to informal networks. Furthermore, there are significant differences
among population groups in regard to access to social networks in Mongolia. Human and
institutional capital have effects on access to social networks, and the positional or structural
advantage of ego provide better access to the networks. The findings imply that in post-socialist
societies the meaning and use of networks are in part embedded in the legacy of their socialist past
and uncertainties of the socio-political transformation.

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