Oil into Culture

Energopolitics in the Russian Urals

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Russia’s oil industry is old, but its oil boom is new. For much of the twentieth century, the oil pumped from the Soviet subsoil flowed into a capitalist political and economic order, one that did not organize production, consumption, price, or value in the ways that have fed oil booms and oil busts around the capitalist world. Oil was crucial to the functioning of the Soviet economy, to be sure, but it was never directly associated with massive inequalities, unimaginable inflows of money, or soaring expectations of overnight modernization. Soviet oil was never the basis for the creation of an industrial or financial elite that could rival—or even take over—agencies of the state. When these contemporary Russian energopolitics—fertile ground for providing an anthropological answer to all of the above—were evoked, it was chiefly in the context of the Soviet subsoil flowing into a socialist political and administrative order and the Soviet configuration of cultural production in the districts, towns, and villages that were home to both Soviet and early post-Soviet cultural institutions.

The story of the Perm region’s oil boom is, in good part, a story of the reorientation of Soviet and early post-Soviet cultural collections from state to corporate control. The Perm region has recently taken to calling itself the “Region of 59 Festivals.” A large percentage of these festivals owe their existence to Lukoil-Perm. As the company began to realize profits from rising world oil prices, its employees in the Perm region’s old Soviet oil-producing districts began to receive noticeably higher salaries precisely when the disappearance of Soviet-era subsidies for agriculture impoverished nearly everyone else. Lukoil took these emerging inequalities and accusations that it was pumping out oil, making enormous profits, and returning nothing to struggling populations quite seriously. There were likely a number of reasons for this: Lukoil-Perm’s own desire for peaceful relationships with local populations and politicians; pressure from higher-level state officials whose tiny budgets and weak legitimacy left many state agencies unable to respond to the demands of local populations; and the memory of Soviet-style company towns, which made local enterprises responsible for local social and cultural life.

The institutional response to these pressures was Lukoil-Perm’s Connections with Society Division, formed in the early 2000s and charged with managing the company’s relationship with local agencies and local populations in oil-producing districts. The division quickly set up a procedure for awarding grants for social and cultural projects, and focused on the development of folk crafts and the claiming of local cultural identities. In part, this was an effort to provide seed money that would create jobs and new income for newly unemployed residents of former Soviet state farms. If there is no work to be had, one former Connections with Society employee phrased the company’s idea in an interview with me: “Sit home ... sew, make pottery, do something else, and maybe you can get something for your kids.” These initiatives expanded to include massive cultural festivals, crafts fairs and museum exhibits about the region’s past, all of them unfolding under Lukoil-Perm’s distinctive red logos. The Perm region has recently taken to calling itself the “Region of 59 Festivals.”

Cultural Politics

Although Lukoil-Perm’s efforts were only somewhat successful in a purely business sense—the folk crafts industry became a new career for only a handful of people—this kind of cultural investment paid other dividends for the company. It certainly created some positive PR. Most notably from the perspective of energopolitics, CSR projects aimed at producing local culture became a central vector of regional politics in the Perm region’s new oil age. Key to understanding this process is a specifically post-Soviet configuration of cultural production in the districts, towns, and villages that were home to both Lukoil-Perm’s oil operations. In these places, some of the most influential residents were members of the Soviet-era “local intelligentsia” working in rural and small city libraries, museums, schools, clubs, and low-level offices of the state administration. Many were former low-level Communist Party members who were accustomed to organizing events and festivals, and to Soviet cultural construction.

In the 1990s, such projects were habitually under-funded by the state and offered their once moderately influential organizers very little in the way of prestige on the local scale. Lukoil-Perm’s new social and cultural projects changed this, while not distracting far from the already-surfing interest in rebuilding elements of local cultural identity muffled or erased by Soviet cultural construction. Suddenly, the production of culture and identity was important to someone; as it had been occasionally in the Soviet period, and there was a new set of cultural initiatives from above to work on and to adapt to local circumstances. This time, they were even backed up with actual funding—from the oil company. The allegiance of local intelligentsias offered Lukoil-Perm a crucial route through which to influence politics at the level of districts and towns. The company then used these connections to attempt to assure local support for its projects connected with any number of projects connected with their actual oil production activities. In many oil districts, nearly all factions and elements of the local elite were linked to Lukoil through social and cultural projects of various sorts rather than through the oil industry itself. One effect of these CSR projects, in other words, was to insert Lukoil-Perm and its representatives quite deeply into local political and social networks.

The story of the Perm region’s oil boom is, in good part, a story of the reorientation of Soviet and early post-Soviet cultural institutions from state to corporate control. Through CSR initiatives, companies like Lukoil-Perm are creating fertile ground for providing an anthropological answer to a much broader question: What kinds of human social and cultural formation are being produced in the rapidly shifting energy regimes of the early twenty-first century? Below, I provide one example of how ethnographic attention to energopolitics affords new insights into both contemporary Russia and anthropological studies of energy more broadly.

Oil into Culture

The Perm region’s oil is pumped largely by Lukoil-Perm, a subsidiary of Lukoil, Russia’s largest private oil company. Strikingly, Lukoil-Perm has also become a major and highly visible sponsor of cultural revival in the Perm region: grants from the company fund everything from children’s summer camps to the construction of new museum exhibits. Oil companies around the world are frequent exhibits. Oil companies around the world are frequent practitioners of this sort of corporate social responsibility (CSR), and Lukoil-Perm quite directly borrowed from Western models in designing its own programs. The specific shapes of Lukoil-Perm’s involvement in cultural construction, however, owe much to the Soviet and early post-Soviet past.

Moscow-based Lukoil consolidated control over regional oil operations in and around Perm in the 1990s, a time of tremendous popular dissatisfaction with Russia’s nouveau riche. As the company began to realize profits from rising world oil prices, its employees in the Perm region’s old Soviet oil-producing districts began to receive noticeably higher salaries precisely when the disappearance of Soviet-era subsidies for agriculture impoverished nearly everyone else. Lukoil took these emerging inequalities and accusations that it was pumping out oil, making enormous profits, and returning nothing to struggling populations quite seriously. There were likely a number of reasons for this: Lukoil-Perm’s own desire for peaceful relationships with local populations and politicians; pressure from higher-level state officials whose tiny budgets and weak legitimacy left many state agencies unable to respond to the demands of local populations; and the memory of Soviet-style company towns, which made local enterprises responsible for local social and cultural life.

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