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EVALUATING THE USE OF PERSONAL CONNECTIONS TO BYPASS FORMAL PROCEDURES: A STUDY OF VRSKI IN REPUBLIC OF MACEDONIA

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Abstract
The soliciting of personal favours for and from others in order to circumvent formal procedures is a common practice across the world, variously known as guanxi, wasta, blat, and jeitinho. Until now, however, there have been no known empirical studies of this practice in South-East Europe. This paper fills that gap. The aim is to evaluate the extent to which personal connections are used to circumvent formal procedures, and who engages in such practices in FYR Macedonia. Reporting data collected from 2,014 face-to-face interviews undertaken in late 2015, the finding is that 35 per cent of respondents had used vrski during the year prior to the survey, particularly to gain access to health services and find a job. Using logistic regression analysis, the population groups significantly more likely to have used vrski are found to be younger people, higher income groups, those who also both supply and purchase undeclared work, live in rural areas or villages, while those in the Eastern, Southeastern and Pelagoni regions are less likely to do so than those in the Vardar region. The paper concludes by discussing the theoretical and policy implications along with the future research required.

Keywords: informal economy; corruption; cronyism; nepotism; South-East Europe.

Jel Classification: J46; K42; O17; P37

INTRODUCTION

Receiving and providing personal favours in order to circumvent formal procedures prevails in all countries and regions of the world to varying degrees. This is variously referred to as guanxi in China (Chen et al. 2011, 2013; Luo 2011; Yang and Wang 2011), wasta in Arab countries (Smith et al. 2011), jeitinho in Brazil (Ardichvili et al. 2010; Ferreira et al. 2012), 'pulling strings' in the English-speaking world (Smith et al. 2012), blat in post-Soviet societies (Ledeneva 2008, 2009, 2013), veze in Serbia, vruzki in

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Bulgaria, and vrski in FYR Macedonia. The reason that this practice is important to understand is because it prevents the emergence of meritocratic processes and instead, leads to the persistence of nepotism, cronyism, and corruption in countries. Until now, however, and despite its study elsewhere in the world, there have been no known empirical studies of its usage in South-East Europe. To fill this gap, therefore, the aim of this paper is to evaluate the prevalence and distribution of vrski in FYR Macedonia.

In the first section, therefore, a review of the existing literature is undertaken on the use of personal connections to circumvent formal procedures. This will display that although the use of personal connections to circumvent formal procedures has been evaluated in various countries, there has been little if anything in South-East Europe and no empirical studies conducted in FYR Macedonia. To fill this gap, the second section introduces a study of the use of vrski in FYR Macedonia based on 2,014 face-to-face interviews undertaken in late 2015. Reporting the findings, the third section reveals the prevalence of vrski and who uses it, using a logistic regression analysis. The final section then draws conclusions and discusses how these anti-meritocratic practices might be eradicated.

1. LITERATURE REVIEW

All countries have to produce, distribute and allocate goods and services and therefore, all countries have an economy of some type. This production, distribution and allocation of goods and services can be organised using either the 'market' (private sector), 'state' (public sector) and/or 'community' (informal or third) sectors (Giddens 1998; Gough 2000; Polanyi 1944; Thompson et al. 1991). Conventionally, these are seen as separate spheres. However, when one examines the use of personal connections to circumvent formal procedures, it becomes quickly apparent that they are not separate spheres. Such personal connections display how the informal realm permeates the private and public sectors.

Indeed, social networks have been widely studied and viewed as resources that people use to meet their needs. Traditionally, moreover, the tendency has been to draw attention to the beneficial effects of the help provided by and for close ties (Stack 1974; Young and Wilmott 1975). Recent decades, furthermore, has seen the social capital literature also highlight the beneficial effects of the ties forged between people who do not know each other very well (Putnam 2000), or what Granovetter (1973) calls the 'strength of weak ties'. The resultant focus has been on the positive effects of the help provided by and for both close ties (i.e. 'bonding' social capital) as well as the weaker ties between people who do not know each other well (i.e. 'bridging' social capital) (Gittell and Vidal 1998; Putnam 2000).

A smaller stream of scholarship, nevertheless, has discussed how social capital can also have a negative 'darker side' (Ayios et al. 2014; Garigiulo and Benassi 1997; Gu et al. 2008; Putze, 1997; Schulman and Anderson 2009). This literature displays how the use of social networks can also result in nepotism (i.e., favouritism to kin), cronyism (i.e., helping acquaintances and friends), and/or corruption (i.e., the use of public office for private gain), as well as hinder meritocracy (Ayios et al. 2014).

An exemplar of this 'dark side' of social capital is the use of personal connections to circumvent formal procedures. In China, guanxi ('connections') describes a network of

contacts from whom favours are received so as to access a good or service, or to bypass bureaucratic procedures, which must then be reciprocated in the future (Hsuing 2013; Mikhailova and Worm 2003). Indeed, the literature on guanxi displays that it is extensively used in Chinese business and culture (Luo 2011; Luo et al. 2011; Shou et al. 2014; Zhan 2012). Although there have been studies showing its negative effects, such as when there is nepotism in job recruitment (Chen et al. 2011), most of the studies on guanxi simply see it as an unavoidable feature of life that must be recognised when doing business in China (Chen et al. 2013; Munro et al. 2013; Yang and Wang 2011; Zhuang et al. 2010).

In the Arab world meanwhile, wasta is the term most commonly used to denote the connections rooted in family and kinship ties that enable a sidestepping of formal procedures (Smith et al. 2011), or *ma'arifa* in North African nations such as Tunisia, Algeria and Morocco (Mellahi and Wood 2006; Yahiaoui and Zoubir 2006). Most of these studies in the Arab world again display a neutral or even positive attitude towards its use (Bailey 2012; Barnett et al. 2013; Kilani and Sakijha 2002; Mohamed and Mohamed 2011; Tlaiss and Kauser 2011), exemplified by a 'no nepotism' policy being absent in the Arab business world and favouritism widely employed in hiring and promotion decisions rather than meritocratic processes.

In Brazil and other Portuguese speaking countries, the term commonly used is either pistolao ('contacts') or jeitinho ('find a way') which again, is viewed in a positive manner as a helpful coping practice (Ardichvili et al. 2010). English-speaking countries, meanwhile, use the term 'pulling strings', which usually refers to obtaining favours from longstanding links with influential persons, often based on family connections or shared schooling (Smith et al. 2012). Indeed, a cross-national comparative study of attitudes towards the use of connections to circumvent formal procedures reveals that English people view this practice even more positively than the Chinese, Arabs and Brazilians (Smith et al. 2012).

In the post-Soviet world, this use of personal networks to obtain goods and services in short supply, or circumvent formal procedures, is commonly termed blat (Arnstberg and Boren 2003; Ledeneva 2006, 2008, 2009, 2013; Mikhailova and Worm 2003; Smith et al. 2011). In the Soviet command economy, money had relatively little value given the shortages of goods to purchase, so it was important to have a wide network of friends and acquaintances to call upon in times of need, and a common phrase during Soviet times was 'it is better to have a hundred friends than a hundred roubles'. Blat, therefore, was used to negotiate most aspects of everyday life, including the acquisition of everyday goods such as food, arranging periodic events such as holidays, and organising life-cycle events such as obtaining kindergarten and university places. For this reason, blat in its traditional meaning was widely viewed in a positive or neutral manner because it enabled people to deal with the inefficiencies of the command economy. Indeed, blat was an important status symbol and a source of pride and prestige for those able to use their connections to help others (Williams et al. 2013). Few therefore regarded this as a corrupt practice (Williams et al. 2013). Today, in contrast, it is argued that connections are still used to gain preferential access to services in post-Soviet societies, but that connections and access to assets are increasingly treated as a commodity, with gifts and/or money received and given for this (Ledeneva 2009, 2013 Onoshchenko and Williams 2013, Williams and Onoshchenko 2014a, b). Al Ramahi (2008) has noted a similar trend in relation to wasta. Indeed, this is reflected in recent studies. Take, for example, the study

of informality in health services. Rather than study blat, studies now focus upon the informal payments made to access medical services (Gordeev et al. 2014; Kaitelidou et al. 2012; Stepurko et al. 2013; Williams et al. 2016).

In South-East Europe, meanwhile, such connections are variously referred to as veze in Serbia, vruzki in Bulgaria and vrski in Macedonian. Until now, there has been hardly any scholarly literature on this practice, with the notable exception of Chavdarova (2013) who has discussed vruzki in Bulgaria, and no known empirical studies of the prevalence and usage of connections in South-East Europe. Despite this, the use of connections to circumvent formal procedures is widely and openly discussed in popular culture and often at the heart of many critiques by Macedonians of how their society operates. Such connections are often viewed as creating significant privileges for individuals connected to the ruling powers and state apparatus, as well as to private firms and their owners. However, it is also sometimes seen more positively as a way of helping ordinary people to get things done. Until now, nevertheless, empirical studies of the prevalence and distribution of vrski in contemporary Macedonian society are notable by their absence. Below, therefore, we report a survey which seeks answers to the following two questions: what is the prevalence of vrski in contemporary Macedonian society? And which population groups are most likely to use vrski?

2. DATA AND VARIABLES

2.1. Data

To evaluate the prevalence and distribution of vrski in contemporary Macedonian society, data is reported from 2,014 face-to-face interviews conducted in FYR Macedonia in late 2015. This survey included questions on whether respondents used and provided favours to circumvent formal procedures, and the spheres in which they did so, and as part of the wider survey, whether they had participated in the undeclared economy.

To collect this data, a multi-stage random (probability) sampling methodology was used to ensure that on the issues of gender, age, region and locality size, the national level sample, as well as each level of the sample, was representative in proportion to its population size. In every household the ‘closest birthday’ rule was applied to select respondents, while every subsequent address was determined by the standard ‘random route’ procedure.

2.2. Variables

To evaluate the use of vrski, the dependent variable used is a dummy variable with recorded value 1 for employees who answered ‘yes’ to the question: “Have you in the last 12 months asked anyone for a favour/help using connections in any of the following spheres?”, and zero otherwise if they had not used vrski. The spheres analysed were: medical services (skipping queue, getting better examination, surgery); solving problems with the law enforcing authorities (traffic police, customs); finding a job; education

(places in higher education/ obtaining degree/diploma etc.); legal services and courts; everyday services at better quality or better price (e.g., bank services, hairdressers); repairs (housing, garages, car); tickets for events, theatre, concerts; hobbies and entertainment, tourist resorts, travel tickets; consumer goods excluding foodstuffs; communicating with local authorities on business matters (e.g. delaying tax payment); foodstuffs; speeding up bureaucratic procedures (e.g. at the municipal hall), and any other realms. This enabled the degree to which it is used in each of these spheres to be analysed.

To evaluate the distribution of vrski, meanwhile, the following independent variables were analysed, derived from wider studies evaluating the associated issue of the important socio-demographic and socio-economic variables influencing participation in undeclared work (Williams and Horodnic 2015a, b, 2016; Williams and Padmore 2013a, b):

- Gender: a dummy variable with value 0 for men and 1 for women;
- Age: an interval variable indicating the exact age of the respondent;
- Household size: a categorical variable with value 1 for one person, value 2 for two persons, value 3 for three persons, and value 4 for four and more persons;
- Net income from formal work: a categorical variable with value 1 for less than €350, value 2 for €350–699, value 3 for €700–999, and value 4 for €1000 or more;
- Working on an undeclared basis: a dummy variable with value 0 for those not working on undeclared basis and value 1 for those working on undeclared basis;
- Purchasing undeclared goods and services: a dummy variable with value 0 for those not purchasing on undeclared basis and value 1 for those purchasing on undeclared basis;
- Type of locality: a categorical variable with value 1 for rural area or village, value 2 for small or middle-sized town, value 3 for large town;
- Region: a categorical variable with value 1 for Vardar, value 2 for Eastern, value 3 for Southwestern, value 4 for Southeastern, value 5 for Pelagoni, value 6 for Polog, value 7 for Northeastern and value 8 for Skopje.

Given that there were a large number of missing values and inconclusive answers (i.e., refusal and 'don't know') across the dependent and independent variables, multiple imputation was used to predict the values. This is done using a system of chained equations for each variable with missing values, with 25 imputations simulated for each missing value. Furthermore, population weights are applied based on age and gender to correct for under- and over-representation in the sample.

To analyse its usage in different realms, descriptive statistics are presented. To evaluate who is significantly more likely to use vrski in contemporary Macedonian society, a logistic regression analysis is undertaken. Below, the results are reported.

3. FINDINGS

Examining the nationally representative sample of 2,014 respondents interviewed face-to-face in late 2015 in FYR Macedonia, just 2 per cent held the view that the use of vrski was not important in order to get things done. Some 10 per cent asserted that it is somewhat important, 29 per cent that it is important, and 59 per cent that it is very important. This is reflected in the findings on whether they used vrski to get things done. Indeed, asked about their views on using connections (vrski), the majority (57 per cent)

were overall negative about its usage, with 27 per cent adopting a neutral stance and just 16 per cent adopting a positive view of using connections to get things done.

Yet despite this, 35 per cent of respondents had used vrski in the last 12 months in order to bypass formal procedures. Analysing the spheres in which the respondents had used vrski to get things done, Table 1 (Authors' own calculations based on the representative survey of 2,014 individuals in Macedonia) reveals that 18.2 per cent of all participants surveyed had used vrski to gain access to medical services (e.g., jumping the queue, getting a better examination), 9.3 per cent to find a job, 8 per cent to get repairs (e.g., to their home or car), 7 per cent to solve problems with the law enforcement authorities such as the traffic police or customs, 6.8 per cent to speed up bureaucratic procedures with the public administration, and 6.5 per cent to gain access to everyday services such as hairdressers and bank services.

When it is recognised that not all respondents needed to obtain these services in the past 12 months (e.g., medical services, finding a job, solving problems with the law enforcement authorities), vrski appears to be commonly used to get things done. Indeed, for future research, enumerating whether respondents had engaged with these realms in the past year before asking them whether vrski had been used, would be useful in order to evaluate the proportion of instances in which vrski is used. Here, therefore, it can only be tentatively concluded that vrski seems to be very commonly used when gaining access to medical services, finding a job, dealing with legal services and the courts, and accessing education, which are activities that only a relatively small proportion would have accessed in the year prior to the survey, and less commonly used when acquiring foodstuffs and consumer goods, which are activities that most would have engaged in during the year prior to the survey.

Table 1. The use of personal connections to bypass formal procedures in FYR Macedonia: by sphere, % of surveyed respondents

Sphere	Receive favours			Provide favours		
	Yes	No	Refusal /DK	Yes	No	Refusal /DK
Medical services: skipping queue, getting better examination, surgery	18.2	77.4	4.5	8.2	88.6	3.1
Finding a job	9.3	86.3	4.4	7.7	88.6	3.8
Repairs (housing, garages, car)	8.0	88.7	3.3	5.4	91.7	2.9
Solving problems with the law enforcing authorities: traffic police, customs	7.0	88.1	4.9	3.4	92.1	4.5
Speeding up bureaucratic procedures (e.g. at the municipal hall)	6.8	89.8	3.4	2.8	93.9	3.3
Everyday services at better quality or better price (bank services, hairdressers…)	6.5	89.7	3.9	4.0	92.9	3.2
Legal services and courts	4.5	91.3	4.2	2.7	93.9	3.4
Education: places in higher education/ obtaining degree/diploma etc.	4.4	92.1	3.6	2.9	93.3	3.7
Foodstuffs	4.0	92.8	3.3	3.0	94.2	2.9
Hobbies and entertainment, resorts, travelling tickets	3.8	93.3	2.9	2.9	94.5	2.6
Tickets for events, theatre, concerts	3.5	92.8	3.7	3.1	94.1	2.8
Consumer goods excl. foodstuffs	2.8	94.3	2.9	2.7	94.7	2.6
Communicating with local authorities in your business matters (e.g. delaying tax payment)	2.6	94.0	3.4	1.6	95.7	2.7
Other	1.3	98.7	0.1	0.9	98.9	0.2

Some 8.2 per cent of participants, moreover, had made arrangements for somebody they knew to gain access to medical services either due to their direct control over these assets or more usually by acting as a third party to help them establish contact with a relevant person. Similarly, 7.7 percent had helped somebody find a job, 5.4 per cent to gain access to somebody who could do repairs (e.g., car or home repairs). The reason for the lower supply-side figure is that participants are likely to be able to provide favours in a limited range of spheres (mostly the areas in which he/she works or those areas in which s/he knows somebody and can act as a third party in gaining access), but can receive vrski in almost any sphere depending on the breadth of his/her connections.

Who, therefore, uses vrski in order to get things done in FYR Macedonia? And who does favours for others? Table 2 (Authors' own calculations) reports the results of a logistic regression analysis which investigates whether individual socio-demographic, socio-economic and spatial variables are significantly associated with engagement when other variables are taken into account and held constant. Starting with who receives favours in order to bypass formal procedures, model 1 examines the socio-demographic variables. This reveals that there are no significant gender variations in the use of vrski. Neither are there any significant variations according to household size in terms of the number of adults. However, age does have a significant influence on its usage; younger age groups are more likely to use vrski than older age groups.

When socio-economic variables are included in model 2, the findings regarding the socio-demographic variables remain the same. The additional finding is that the higher is the personal formal net income of a respondent, the more likely they are to use vrski to get things done. Those receiving favours to bypass formal procedures, therefore, are significantly more likely to be the affluent rather than poor. So too is there a strong significant correlation between receiving help due to vrski and participation in the undeclared economy. Those receiving help due to vrski are significantly more likely to also purchase undeclared goods and services and to supply undeclared work.

Model 3 adds in spatial variables. The finding is that signs and significances of the socio-demographic and socio-economic variables remain the same. The additional finding is that use of vrski is also significantly higher in rural areas and villages than in more urban areas, and there also significant regional variations in its usage. Those in the Eastern, Southeastern and Pelagoni regions are less likely to do so than those in the Vardar region.

Turning to who does favours for others, the finding in Table 3 (Authors' own calculations) is that very similar patterns are identified as when who uses personal connections to bypass formal procedures. The finding in model 1 is again that gender and household size are not significantly associated with the giving of favours but younger people are significantly more likely to do so than older generations. As model 2 reveals, so too are higher income earners significantly more likely to do favours for others, as are those who supply and purchase undeclared work, perhaps reflecting that those not abiding by the laws and regulations of the state with regard to paying taxes, social contributions and abiding by labour laws, is similarly the case when it comes to bypassing formal procedures by receiving and doing favours for personal connections. Model 3, moreover, reveals that similar spatial variations exist regarding who is more likely to do favours for others. It is again those living in rural areas and villages rather than those in more urban areas, and regional variations again exist. However, here it is only those in the Southeastern region who are less likely to provide favours to others

than those in the Vardar region, indicating that the provision of favours to others is more evenly distributed regionally than the receipt of favours.

Table 2. Logistic regression analysis of the use of personal connections to bypass formal procedures in FYR Macedonia

	Receive favours		
Coefficient (Standard error)	Model 1	Model 2	Model 3
Female	-0.163 (0.099)*	-0.003 (0.103)	0.018 (0.106)
Age	-0.012 (0.003)***	-0.012 (0.003)***	-0.009 (0.004)***
Household size (RC: one person)			
Two persons	-0.063 (0.194)	-0.093 (0.198)	-0.100 (0.200)
Three persons	0.103 (0.205)	0.154 (0.210)	0.146 (0.213)
Four and more	0.013 (0.191)	-0.001 (0.196)	-0.026 (0.198)
Net income for formal work (RC: Less than 350 EUR)			
350-700 EUR		0.114 (0.139)	0.125 (0.143)
700-1000 EUR		0.430 (0.148)***	0.381 (0.154)**
More than 1000 EUR		0.474 (0.160)***	0.395 (0.169)**
Supply undeclared work		1.140 (0.236)***	1.028 (0.241)***
Purchase undeclared goods and services		0.794 (0.138)***	0.911 (0.146)***
Type of locality (RC: Rural area or village)			
Small or middle sized town			-0.779 (0.212)***
Large town			-0.055 (0.121)
Region (RC: Vardar)			
Eastern			-0.561 (0.267)**
Southwestern			0.137 (0.244)
Southeastern			-0.643 (0.262)**
Pelagoni			-0.683 (0.258)***
Polog			0.149 (0.240)
Northeastern			0.313 (0.291)
Skopje			-0.222 (0.223)
Const	0.120 (0.265)	-0.412 (0.280)	-0.260 (0.349)
Number of observations	2,014	2,014	2,014
Number of imputations	25	25	25
Prob > F	0.000	0.000	0.000
Pseudo R2	0.013	0.057	0.083
Area under ROC	0.579	0.652	0.692

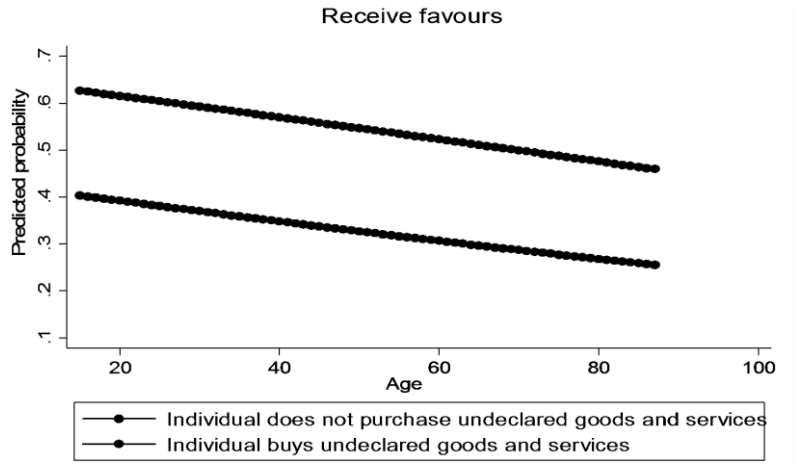
Significance: *p<0.1, **p<0.05, ***p<0.01

Table 3. Logistic regression analysis of the giving of personal connections to bypass formal procedures in FYR Macedonia

Coefficient (Standard error)	Model 1	Model 2	Model 3
Female	-0.184 (0.112)	-0.037 (0.116)	-0.037 (0.119)
Age	-0.010 (0.004)***	-0.011 (0.004)***	-0.007 (0.004)*
Household size (RC: one person)			
Two persons	-0.075 (0.229)	-0.115 (0.230)	-0.151 (0.232)
Three persons	0.242 (0.243)	0.265 (0.242)	0.229 (0.248)
Four and more	0.048 (0.229)	0.020 (0.227)	-0.005 (0.233)
Net income for formal work (RC: Less than 350 EUR)			
350-700 EUR		0.15 (0.164)	0.144 (0.169)
700-1000 EUR		0.427 (0.170)**	0.366 (0.177)**
More than 1000 EUR		0.657 (0.174)***	0.599 (0.184)***
Supply undeclared work		0.839 (0.220)***	0.686 (0.230)***
Purchase undeclared goods and services		0.594 (0.146)***	0.655 (0.152)***
Type of locality (RC: Rural area or village)			
Small or middle sized town			-0.547 (0.250)**
Large town			-0.163 (0.128)
Region (RC: Vardar)			
Eastern			-0.235 (0.295)
Southwestern			-0.100 (0.287)
Southeastern			-0.971 (0.331)***
Pelagoni			-0.382 (0.302)
Polog			0.282 (0.272)
Northeastern			-0.319 (0.347)
Skopje			0.006 (0.263)
Const	-0.691 (0.316)**	-1.170 (0.329)***	-1.048 (0.418)**
Number of observations	2,014	2,014	2,014
Number of imputations	25	25	25
Prob > F	0.001	0.000	0.000
Pseudo R2	0.011	0.045	0.063
Area under ROC	0.572	0.644	0.677

Significance: *p<0.1, **p<0.05, ***p<0.01

To provide a more graphical portrait of these findings regarding who is more likely to receive and give favours in order to bypass formal procedures, Figure 1 present the predicted probabilities of a representative Macedonian citizen receiving and giving favours to circumvent formal procedures, according to their age and whether they purchase and supply undeclared work. This 'representative' worker is defined using mean and modal values of the remaining predictors. That is to say, the representative citizen is a woman living in a household with three persons, with a net income between €350–699 per month, living in a large town and the Skopje region. This reveals that the probability of the representative citizen who purchases and supplies undeclared work is greater that they give and receive favours than for the representative citizen who does not purchase or supply undeclared work. For those receiving favours, for example, the probability of doing so ranges from 25 in a 100 for the oldest citizens who do not purchase undeclared goods and services to 62 in a 100 for the youngest citizens who also supply undeclared work. Similarly, when doing favours for others, the probability ranges from 18 in a 100 for the oldest citizens who do not purchase undeclared goods and services to 42 in a 100 for the youngest citizens who also supply undeclared work.



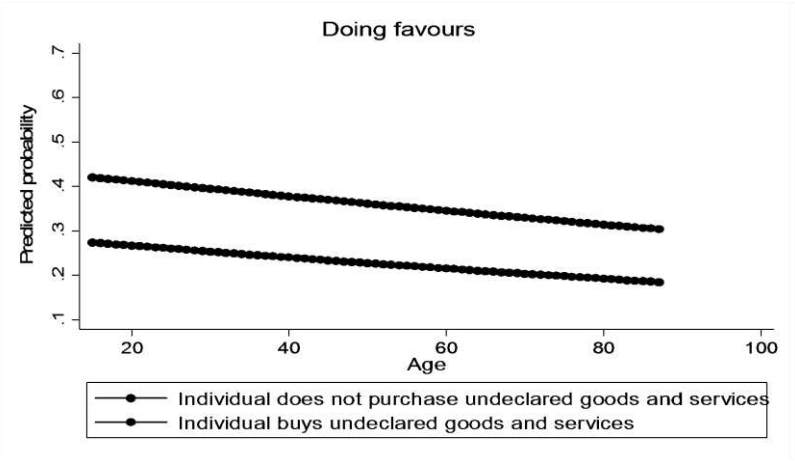


Figure 1. Predicted probability of the use of personal connections for a representative' Macedonian citizen: by age and participation in the undeclared economy

CONCLUSION

This paper has evaluated the prevalence of the practice of using personal connections to bypass formal procedures, known as vrski, in FYR Macedonia and who gives and receives such favours. Reporting a survey of 2,014 respondents conducted in late 2015, the finding is that 35 per cent of respondents had used vrski in the past 12 months to get things done, particularly when accessing medical services or finding a job. Using logistic regression analysis, the population groups significantly more likely to have both used and given favours via vrski so as to bypass formal procedures are younger people, higher income groups, those who also both supply and purchase undeclared work, live in rural

areas or villages, while those in the Eastern, Southeastern and Pelagoni regions are less likely to do so than those in the Vardar region.

Theoretically, therefore, and when explaining the use of vrski, this paper has revealed that there is a strong statistically significant correlation between the use of vrski and participation in the undeclared economy, intimating that those who do not accept and abide by the laws and regulations of the state are more likely to receive and give favours that bypass formal procedures. This can be explained using the lens of institutional theory (Baumol and Blinder 2008; North 1990). From an institutionalist perspective, all societies are viewed as having both formal institutions, which are codified laws and regulations that define the legal rules of the game, as well as informal institutions, which are the 'socially shared rules, usually unwritten, that are created, communicated and enforced outside of officially sanctioned channels' (Helmke and Levitsky 2004, 727). Adopting this institutional lens, the use of personal connections to circumvent formal procedures therefore arises when the norms, values and beliefs of citizens are not in symmetry with the codified laws and regulations. The greater the level of asymmetry, the greater will be the use of vrski, as has been also found when studying participation in undeclared work (Williams and Franic, 2016; Williams and Horodnic, 2015a, b; 2017). This suggests that tackling the asymmetry between formal and informal institutions is necessary in order to tackle this endeavour.

How, therefore, can this illicit practice be tackled? Several policy options are available. Firstly, governments can pursue its eradication using tougher penalties, although whether the political will exists to do this remains open to question. Secondly, it can be also tackled by reducing the asymmetry between formal and informal institutions. On the one hand, this can be achieved by seeking to change the norms, values and beliefs of citizens (i.e., the informal institutions) regarding the acceptability of this illicit practice, such as by running awareness raising campaigns about the negative consequences of vrski and the positive consequences of adopting meritocratic processes across Macedonian society. On the other hand, it can also be pursued by modernising the formal institutions so as to reduce the formal institutional inefficiencies and imperfections that lead to vrski being used. None of these are mutually exclusive approaches, and can be sequenced in various ways such as by organising an awareness raising campaign alongside modernising public services so as to reduce the circumvention of formal procedures, and then following this up with tougher penalties for those who still engage in these practices that result in nepotism, cronyism and corruption. Whether this is the appropriate sequencing has not so far been evaluated.

What is certain, nevertheless, is that the use of vrski cannot continue in a modern meritocratic society and doing nothing is not an option. If this paper therefore stimulates research on its prevalence and distribution across a wider array of countries, as well as greater debate on what needs to be done to eradicate this practice, then it will have achieved its intention.

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