

**THE “SCHOOLS OF COMMUNISM”  
UNDER NEO-LIBERAL REFORM**

**Russia’s traditional trade union movement  
in the transition to a free market.**

Gijs Kessler

## Contents

1. Introduction	5
2. The union's turf	9
State-union relations	9
Management-union relations	12
Internal union relations	15
Worker-union relations	16
3. Defending the workers' interests	19
Collective bargaining	19
The collective agreement	21
Wages	23
Social wages	25
Violations	28
Individual workers' rights	31
4. Lobbying for industry and voicing the malcontent	33
Appendix I – interviews	39
General interviews	39
Interviews at moscow city union committees	40
Appendix II – Documentation on trade unions in Russia available at the IISH	41

# 1. Introduction

Almost ten years of reform have passed since Mikhail Gorbachev launched his programme of *perestroika* in the Soviet Union. These ten years have witnessed tremendous political, cultural, social and economic changes. Both Gorbachev, his *perestroika* and the Soviet Union have vanished from the scene. What had started as an endeavour to restructure the socialist administrative command system ended in its progressive collapse and, finally, in the current endeavour to transform Russia into a pluralist and capitalist society. Especially since the ultimate collapse of the soviet state in 1991 the old social structure and its institutions have come under increasing pressure. Some of them broke down under this pressure, like the communist party and the Communist Youth League, the *Komsomol*. Other soviet institutions have tried to adapt to the new circumstances, with more or with less success.

This study deals with the process of reform in one of these institutions; the traditional trade unions of the Federation of Independent Trade Unions of Russia (FNPR), successor to the All-Union Central Council of Trade Unions (VTsSPS) of the soviet period. In the old days these unions had been an integral part of the soviet system, with a monopoly on workers' representation. Lenin had described them as "transmission belts from the party to the workers", and as "schools of communism in general." They were an extension-piece of the communist party, and as such the counterpart of state industry in the dual hierarchical structure of soviet rule. Within the soviet system the unions had several functions. In the first place they served to defend workers from violation of their rights by enterprise management. Secondly, they administered social and welfare provision, benefit payments, and the allocation of housing. Their primary function though was to encourage the increase of productivity, and notably labour productivity in industry. This meant their interests converged with the interests of management rather than with the interests of the workers, and in practice trade unions and enterprise management closely co-operated.<sup>1</sup>

Soon after the start of *perestroika* the VTsSPS lost its monopoly on workers' representation. It saw itself confronted with so-called free, or alternative, competitors like *Sotsprof* and the Independent Miners' Union (NPG). Such groups no longer met with state repression.<sup>2</sup> The VTsSPS came under fierce attack from these alternative trade unions, who depicted the traditional unions as communist relics from the past, that were *sui generis* incapable of defending workers' interests. Although the alternative unions represented only small groups of workers their criticism of the traditional unions was shared by larger segments of society. Especially after the collapse of the soviet system in 1991 the legitimacy of the FNPR-unions, associated as they were with the ancien regime, was increasingly doubted. In response the traditional unions came to acknowledge the need for change in order to

1. For a more comprehensive analysis of the role of the unions in soviet society cf. Clarke, S., Fairbrother, P., Burawoy, M., & Krotov, P. – *What about the Workers? Workers and the Transition to Capitalism in Russia* (London, 1993); Mandel, D. – *Perestroika and the Soviet People* (Montréal, 1991) and Ruble, B. – *Trade Unions* (New York, 1981), to name the most important publications.
2. For more information and a more comprehensive bibliography on the struggle for alternative union formation cf. Kessler, G. – *Trade Unions in Transition. Moscow 1994 – A case-study* (IISH-Research Paper, Amsterdam, 1995).

adapt their organisation to the demands of the new socio-economic and political reality. Surprisingly quickly the FNPR's leaders embraced free market economy concepts of trade union activity, and confessed themselves to a more dedicated defence of workers' interests in society. It became soon apparent however, that such a change in policy could not be effected overnight.

Just as much as elsewhere in society, the transition process was frustrated above all by resistance at the lower levels of society. Within the traditional trade union movement it were especially the trade union committees at the enterprises that proved resilient to reform. Here, not a lot had changed since soviet times. Privatisation was still underway and production-as well as labour relations had remained largely unaltered. As a rule the trade union committees were more inclined to co-operate with enterprise management than to bargain with them on behalf of workers' interests. It became clear that the battle for reform of the traditional unions would have to be fought at the enterprise level.

The alternative trade unions served as a model here. Their dedication and relative successes for many seemed to prove that it was mainly lingering traditional attitudes and a "soviet" mentality that prevented the traditional trade union committees at the enterprise level to play a more active role in the defence of workers' interests. The matter of reform of the traditional unions came to be seen as a process of "activation" of still passive trade union cells, after which they would start to function like "real" trade unions. In this respect much was expected from privatisation, which would divide unions and employers into two separate camps, with different roles to play in society. According to a survey by the FNPR's research centre 45 percent of enterprises that had passed through the first stage of privatisation developed hostile relationships between the unions and the enterprise management.<sup>3</sup>

These figures seem highly unlikely however in view of my research in the Moscow area in autumn/winter 1995. Actual hostile relationships between traditional union committees and enterprise management are extremely rare, and in most enterprises close co-operation still seems to be the norm, in spite of privatisation. Reforms have made very little headway within the traditional trade union structures at the enterprise level. In this study I will try to outline the barriers that confront the process of reform at the enterprise level, because it have been primarily the enterprise trade union committees that have proved resilient to reform so far. My central assumption is that reform of a social institution should not be seen as a purely internal process. Although the will to change certainly plays a role, external factors are not less important. The manoeuvring room for reform is very much dependent upon the exigencies placed upon the trade unions by other social actors, like the state, the employers, and the workers. These exigencies are not necessarily conducive to the cause of reform, and it is therefore dependent upon the power-base of the trade union within the enterprise whether reform stands a chance.

Therefore I will start my analysis of the transition process within Russia's traditional trade union movement with an outline of the unions' turf at the enterprise level. Chapter 1 describes their relations with the state, the employer and the workers. Attention will also be devoted to the position of the enterprise trade union committees vis à vis the higher trade union apparatus. Chapter 2 describes the unions' efforts in the field of defence of workers'

3. Unpublished report by Don Slaiman, head of the ICFTU Moscow office, November 1994.

rights within the manoeuvring-room outlined in chapter 1. Finally, drawing on the findings of the first two chapters, chapter 3 analyses the unions' role in society, and assesses the extent to which they have been able to adapt their role to the new socio-economic reality in Russia.

Research for this study has been conducted in Moscow in autumn/winter 1995. Data have been gathered from published and unpublished materials, as well as in interviews with trade union leaders. A good source on trade union affairs is the weekly *Solidarnost'* newspaper, published by the FNPR-affiliated Moscow Federation of Trade Unions (MFP). Apart from current information it regularly publishes more in-depth information, like conference reports, survey results, and excerpts from relevant legislation. The problem is of course that *Solidarnost'* only represents the traditional unions' own point of view. To compensate for this I have also made use of materials and documentation that represent a more objective point of view. In the first place this concerns the monthly bulletins of the International Confederation of Free Trade Unions (ICFTU). These bulletins are compiled by the Moscow office of the ICFTU, and disseminated among affiliated union organisations. I would therefore want to thank Leo Mesman of the Federation of Dutch Trade Unions (FNV) and Rudy Porter, head of the Moscow ICFTU-office, for providing me with these very useful unpublished up-dates. In co-operation with the Institute of Economics of the Russian Academy of Sciences (RAN) the ICFTU has conducted surveys on several topics in the field of trade union life in present-day Russia. Particularly relevant for this study was the January 1995 survey among local trade union officials and enterprise managers on the practice of collective bargaining in Russian industry.<sup>4</sup> A similar survey has been held on social partnership.<sup>5</sup>

The bulk of my research however, consisted of interviews with Moscow trade union leaders. In order to get a good understanding of the relations between unions, employers and workers within the enterprises I have held interviews with local trade union chairmen from several Moscow branches of industry and services. This involved working my way down through the trade union hierarchy, starting at the Moscow Federation of Trade Unions. There they arranged for meetings with the Moscow city committees of the various branch unions, who then directed me to individual enterprises. For their generous assistance in this I would want to thank all interviewees, and especially Natalja Vladimirovna at the *organizatsionnyj otdel* of the Moscow Federation of Trade Unions. Our discussions provided me with most valuable and very detailed information on the practice of trade union work, without which this study would have been able to provide only a very superficial analysis of trade union activity in the highly complex social reality of post-socialist Russia. Especially for my understanding of the practice of collective bargaining their help was of crucial importance. They provided me with copies of the collective agreements for their enterprises which would have been impossible to obtain otherwise. A comprehensive list of interviews can be found in appendix I. In addition to these interviews from autumn/winter 1995 I sometimes refer in the footnotes to information gathered in interviews

4. *Sovremennaja praktika zakliuchenija kollektivnykh dogovorov v Rossii* (Moskva, 1995), a joint publication of the Tsentr Issledovanij rynka truda of the Institut Ekonomiki Rossijskoi Akademii Nauk and the International Confederation of Free Trade Unions (ICFTU).
5. *Formation of the Social Partnership in Russia*, unpublished report by the Centre for Labour Market Studies of the Institute of Economics at the Russian Academy of Sciences, prepared at the request of the International Confederation of Free Trade Unions in 1995.

held in 1994 for another study.<sup>6</sup>

Since the research for this study has been conducted in Moscow, my analysis is in the first place representative for the Moscow situation, particularly in as far as information gathered in interviews is concerned. Nonetheless, the over-all framework seems to be largely representative for Russia in general, judging from the press-coverage of trade union-affairs in other places than Moscow. The single most important difference between the situation in Moscow and elsewhere in Russia is that the economic situation in Moscow compares favourably to that in other regions. This seems to have a mollifying effect on employer-union and employer-state relations. Full-blown labour conflicts are much more rare in Moscow than elsewhere, just because popular discontent is less acute. An important factor here are the good possibilities of material improvement offered by the booming petty trade and other independent commercial activity in Russia's capital.<sup>7</sup> In the long run these regional differences in economic situation could very well make for different patterns of trade union activity. At the present moment however, as I will try to demonstrate in this study, the traditional trade unions are as yet still more enveloped in the struggle to break free from their old function in society than with the effort to formulate new modes of existence. Therefore the value of my analysis in this study does not remain strictly confined to the Moscow situation only; the main determinants of the practice of trade union work are as yet rooted in the legacy of the soviet past, which envelops the whole of Russia.

6. Cf. Kessler, G. – *Trade Unions in Transition. Moscow 1994 – A case-study* (IISH-Research Paper, Amsterdam, 1995).

7. In Kessler, G. – *Trade Unions in Transition* (Amsterdam, 1995) I have devoted some more attention to the specifics of the Moscow situation in comparison to other regions.

## 2. The union's turf

### State-union relations

Decades of almost universal state interference have made the role of the state in society a highly controversial issue in Russia. Although five years of neo-liberal reform have reduced this role significantly, state influence is still very strong throughout society. This is not solely because the state is reluctant to give up its position. An important factor behind continued state interference lies in the demands made upon the state by social groups and institutions that find it hard to cope with their new independence. State regulation and -mediation, as well as state guarantees are generally regarded as an absolute necessity in the current process of social transformation. The trade unions, both traditional and alternative, are among the more ardent advocates of a large role for the state in restructuring society. Especially in the traditional trade union movement there is a marked tendency towards lobbying for state subsidies to industry. Basically, this is because of persisting co-operation between and interdependency of employers and trade unions at both the enterprise and the branch level. Apart from this phenomenon, which will be dealt with in subsequent chapters, there is a second form of trade union pressure for state interference; the pressure for legislative action by the state as a means of effecting social change. Best example here is the ongoing dispute over trade union legislation between the traditional and the alternative unions.

As in many other fields of Russian law trade union legislation dates back to Soviet times. This poses two basic problems. In the first place these laws have been outdated by five years of socio-economic reform in Russia; a market economy requires an other type of trade union activity than the planned economy of the soviet period. Secondly, soviet trade union legislation dates from the period of a strict party and state monopoly in all spheres of society, including the trade union movement. In theory the Soviet Trade Union Law does not exclude the possibility of trade union pluralism, but a recurrent complaint from the alternative unions is that it favours the traditional unions, and protects their privileged position. Ever since the very beginnings of independent trade union formation they have therefore pressed for a revision of the old trade union legislation.<sup>8</sup> It was believed that breaking up the legal monopoly of the traditional unions could do a lot to clear the way for a "real" trade union movement in Russia. Only last year, on 14 April 1995, after years of delay, the State Duma finally adopted a new Trade Union Law.<sup>9</sup> It proved a great disappointment for the alternative unions, who claimed the new law was favouring the traditional unions over their alternative competitors even more.<sup>10</sup> It was especially paragraph 13 to which they objected. This gives the union that represents the majority of the workers in an enterprise the first right to negotiate a collective agreement. Since this is still the traditional union in most enterprises, this could indeed be detrimental to the position of the alternative unions. The bill was subsequently vetoed by Yeltsin, however, supposedly due

8. Clarke e.a., *What about the Workers*, 183-4.

9. Unpublished report by Rudy Porter, head of the ICFTU Moscow office, 07-07-1995.

10. *Solidarnost'*, nr. 10 (107), 1995.

to intense lobbying by some of the alternative trade union leaders. It has to be expected though that the newly elected, and far more conservative Duma will override Yeltsin's veto in the end.<sup>11</sup> Whether this will lead to a marginalisation of the alternative unions remains to be seen. In any case adoption of the new law would provide a legal framework for union activity that is in accordance with the new socio-economic reality of the market economy. This is of considerable importance because of defective administration of justice in Russia. Courts are understaffed, underqualified, and underpaid, which makes taking legal action beset by problems, not in the last place because of defective legislation. A new, up-to-date trade union law could make it somewhat easier for trade unions to take legal action.

Apart from direct trade union legislation, several other laws and presidential *Ukazy* are defining the scope of union activity. In the first place, this is the revised Labour Code of the Russian Federation. It reaffirms the independent position of trade unions vis à vis management and the state, and holds important guarantees in the sphere of access to relevant information and the right to check on labour conditions in the enterprise.<sup>12</sup> Even more important for the role of the trade unions in shaping labour conditions is the law on collective agreements.<sup>13</sup> It offers a two-layer system of collective agreements, with the branch tariff agreement or *otraslevoe tarifnoe soglashenie (OTS)* at the branch level, and the collective agreement or *kollektivny dogovor* at the enterprise level. The *OTS* is tripartite, drawn-up and ratified by representatives of unions, employers and the state. On the enterprise level, the state is not involved in collective agreement negotiations. The law guarantees the trade unions important rights in the negotiation process, like access to information on the financial and economic position of the enterprise. Its major shortcoming is that it just obliges the employers to enter negotiations with the unions, but not to actually draw up a collective agreement in the end. Therefore, it depends on the formal and informal power-base of the union committee vis à vis the employer, whether a collective agreement can be reached or not.

Notwithstanding these legal guarantees for union activity some important rights have been taken away from the trade unions over the last years. In the first place some rather severe limitations have been set on the right to strike. Among others, a strike has to be supported by at least two thirds of the labour collective, and enterprise management should be notified of the decision to strike not less than two weeks in advance. If these qualifications have not been met, a strike can be declared illegal.<sup>14</sup> Secondly, in October 1993, after a long-standing debate on this issue, the administration of the social security funds, which had been a trade union prerogative since 1933, was transferred to the Ministry of Labour.<sup>15</sup> The alternative trade unions, who had always been barred from access to these funds, welcomed the decision as a significant move towards a normalisation of state-union relations. To the traditional unions the loss of the social security funds was a major blow. Part of their authority among and their attraction on workers had rested on their role as distributors of social security payments. Although formally all employees, irrespective of trade union

11. Interview with Rudy Porter, head of the Moscow office of the International Confederation of Trade Unions (ICFTU), Moscow, 14-09-1995.

12. Kurennoi, A.M. – *Trudovoe pravo: na puti k rynku* (Moskva, 1995), 29-35.

13. On the legal aspects of the current system of collective agreements in Russia cf. Kurennoi, A.M. – *Trudovoe pravo*, Ch. 4, pp. 43-60.

14. Unpublished report of a 1995 ICFTU-seminar on labour legislation in Russia.

15. *Labour Focus on Eastern Europe*, 46(1993), 22.

membership, had been entitled to social security benefits, the distribution monopoly of the traditional unions had meant that in practice trade union membership was a prerequisite for obtaining these benefits, particularly so in Soviet times. The loss of the social security funds therefore led to some anxiety about a possible decline in membership. The basic reason though for the traditional unions' resistance to the transfer of social security, was that it meant a substantial financial drain. The huge social-security funds had always provided the unions with additional revenues. To a large extent they had been the foundation on which the vast union bureaucracy had rested.<sup>16</sup> Some of the unions' activities were even entirely financed from this source, like the health and safety inspectorate.<sup>17</sup> Potentially, therefore, the loss of the social security funds posed a major threat to the position of the traditional unions.

In reality, however, things turned out to be not as bad for the unions as it had seemed. The state proved to be unable or unwilling to seize firm control of the social security funds, and a strict separation of the social security administration and the trade union apparatus was never attained. As will be shown in the next chapter, the highly decentralised structure of the social security system, with the greater part of the funds remaining at the level of the individual enterprise, in most cases enables the unions to retain some sort of control. Also, at the national level the central social security fund was placed in the FNPR's own commercial union bank.<sup>18</sup> Undoubtedly both central and local trade union budgets still partly draw on the social security funds. Nonetheless, the loss of the social security funds has put some financial strain on the union budget, particularly where activities are concerned that used to be financed entirely out of these funds, like the health & safety inspectorate. The transfer of the health and safety inspectorate to the state apparatus by presidential decree of 20 July 1994 was therefore in many ways a logical sequel to the transfer of the social security funds in the year before.<sup>19</sup> Again, as will be shown in the next chapter, this decree did not instantly bring an end to the trade union's health & safety inspectorate, but it amounts to a substantial loss of rights.

It is doubtful in my opinion whether this encroachment on trade union rights and privileges should be interpreted as a conscious state effort to reduce the influence of the trade unions in society. Of course the limitations on the right to strike are without any doubt an expression of a tendency in government policy to submit workers' interests to the greater goal of economic recovery and reform. The main reason behind the transfer of the social security funds however, rather seems to have been the finance hunger of the state. Since October 1993 the government has diverted substantial sums from the social security funds to other purposes without depositing them back.<sup>20</sup> Nonetheless, whatever the government's motives might have been, the loss of the legal right to both the social security funds and the labour inspectorate has considerably weakened the position of the traditional unions.

## Management-union relations

16. Clarke e.a., 183.

17. Interview with Chalyj, S.P. at the Moscow city Municipal Workers' Union, Moscow, 17-11-1995.

18. Unpublished report by Don Slaiman, head of the ICFTU Moscow office, November 1994.

19. *Rossijskaia Gazeta*, 25-07-1995.

20. *Solidarnost'* 22 (119) 1995.

In the run-up to the December 1995 parliamentary elections a seemingly remarkable alliance came into being. The FNPR and Arkadi Volski's Industrial Party of enterprise directors joined forces in one election bloc; the Labour Union.<sup>21</sup> FNPR-officials argued that this was not such an unlikely alliance as it might seem at first hand. In spite of the fact that they represent different social groups employers and trade unions have a common interest; rebuilding Russia's industrial potential and preserving jobs.<sup>22</sup> This necessitates a fundamental change in the government's policy, which is mainly responsible for the current economic crisis, it is argued. The tax-burden on productive activities should be reduced, state orders should be paid for by the government, and potentially profitable industrial sectors and individual enterprises that are experiencing difficulties in the current transitional period should receive financial support from the state.<sup>23</sup> Until a begin has been made with economic recovery trade unions and employers should join forces in unison against the destructive economic policy of the government. Only afterwards the social partners can start to defend their specific group interests, says Valerij Trapeznikov, one of the Labour Union's candidates for the State Duma.<sup>24</sup> This co-operation between the social partners does not remain confined to the political arena alone. In fact it feeds on a long tradition of employer-union co-operation within the enterprises.

In the Soviet period interdependency between management and trade union committee was all but complete. The trade union committee represented the entire labour collective at the enterprise, to which the director belonged as much as any other worker; all were state-employees in the last instance. Consequently, management and workers in a Soviet enterprise were members of one and the same union. Not seldom the chairman of the union committee was on the board of directors, just as representatives from management could be members of the trade union committee. Management and trade union closely co-operated in the administration of the enterprise, with the unions taking care of what was described as "the social needs of the labour collective", like social security, housing, and education or training; all in order to increase labour productivity. In view of this, the Soviet system of labour relations has been characterised as paternalistic, since it offered a wide range of social benefits to compensate for a lack of economic democracy and workers' influence on labour conditions.<sup>25</sup>

With the destatization and subsequent privatisation of most of Russia's enterprises, both management and trade unions suddenly faced new roles. Managers at least formally became employers, and the trade unions found it unavoidable to redefine their attitude towards them. Alongside with privatisation both managers and unions surprisingly quickly adopted free-market economy notions of what employer-union relations should be like. In the first place they came to acknowledge the need for representation of employers and employees in different organisations. Most likely the alternative unions' protest against continued membership of enterprise managers in the traditional unions played a major role here. So far the new slogans have not had much effect yet; the overwhelming majority of enterprise directors are still trade union members.<sup>26</sup> Generally, the trade unions are reluctant to exclude

21. *Solidarnost'* 17 (114), 1995.

22. *Solidarnost'* 17 (114), 1995; 18 (115), 1995 & 22 (119), 1995.

23. *Solidarnost'* 18 (115), 1995.

24. Interview in *Solidarnost'* 17 (114), 1995.

25. Mandel, D. – *Perestroika and the Soviet People* (Montréal, 1991), 80.

26. On average in about three quarters of the enterprises the entire administration is a trade union member, cf.

enterprise management from membership. The persisting conviction that the union is there to protect the interests of all members of the labour collective plays a major role here.<sup>27</sup> Enterprise managers seem reluctant to quit the union as well. A lot of them are former union officials themselves, having climbed upwards through the ranks to reach their present positions. Mutual loyalty is still very strong, and a main factor behind continued union membership of enterprise directors. This cements the continuing close co-operation between management and unions within the enterprises.

Of course not in every enterprise this co-operation is as intense as it used to be in the old times. As will be illustrated in the next chapter much depends on the economic position of the specific enterprise, its form of ownership, and last but not least the attitude and capacities of both union officials and management. In the great majority of enterprises however, not a lot has changed and in spite of the existing legal guarantees for independent union activity the traditional unions are still largely dominated by and dependent upon enterprise management. So far privatisation does not seem to have had a lot of effect on union-management relations in spite of what reports like Shalayev's would want to make us believe.<sup>28</sup> According to a 1994 ILO-survey of enterprise directors and trade union committee chairmen management-union relations did not change in 70.4% of Moscow enterprises after privatisation.<sup>29</sup> To a great extent this can be ascribed to the persistence of traditional attitudes among union activists, who regard co-operation with management for the benefit of the enterprise as the natural state of affairs.<sup>30</sup> Besides, trade union officials tend to be personally loyal to management rather than to the union. There are several reasons for this.

To start with, the greater part of the union activists are on the pay-roll of the enterprise. Within the hierarchical structure of the Russian enterprise this ensures the employer of the loyalty of most of the members of the trade union committee, the more so since the economic crisis has added the threat with dismissal to the employers' arsenal. Only those who have been freed from their normal duties for trade union work are being paid from the union budget.<sup>31</sup> Usually, this is only one or two persons, mostly just the chairman of the trade union committee, and sometimes even none, dependent on the size of the enterprise.<sup>32</sup> And even in their cases, wages are often supplemented by the enterprise, which makes them financially dependent upon management just as much.<sup>33</sup> Naturally, this has its impact on their attitude vis à vis management. Surveys show that non-freed union workers are much

*Sovremennaiia praktika zakliuchenia kollektivnykh dogovorov v Rossii* (Moskva, 1995), 61. In Moscow this percentage is even higher, cf. *Solidarnost'* 2 (99), 1995: according to an all-Moscow survey on social partnership at the enterprise level 96,7 % of all directors are trade union members.

27. Interviews with Krivov, V.T. and Chaly, S.P. at the Moscow city Municipal Workers' Union, Moscow, 14-10-1994; Nesterova, G.I. at the Trade Union of Automobile-industry and Agricultural Machine building workers, Moscow, 18-10-1994; Prokhorov, V.A. at the Metal Foundry and Mining Workers Union of Russia, Moscow, 05-11-1994; Ivashov, V.N. at the Union of Construction Workers, Moscow, 18-11-1994.
28. Cf. Introduction. Shalayev stated that antagonist relations between union committees and employers came to predominate in 45% of privatised enterprises.
29. *Sovremennaiia praktika zakliuchenia kollektivnykh dogovorov v Rossii* (Moskva, 1995).
30. Interview with Smirnov, P.G. at the Institute of Economics of the Russian Academy of Sciences (RAN), Moscow, 26-09-1995.
31. Interview with Laptev, V.L. at the Union of Construction Workers, Moscow, 16-11-1995.
32. All interviews at enterprise union committees from appendix I.
33. Examples of this practice are mentioned in a 1994 Moscow survey on social partnership at the enterprise level, cf. *Solidarnost'* 2 (99), 1995.

more reluctant to confront management with strikes and other extreme forms of pressure than those who have been freed for union work.<sup>34</sup> The unions' subservience to the employers is also enhanced by the interwovenness of management and trade union apparatus. Generally, the chairman of the trade union committee has a seat on the board of directors of the enterprise.<sup>35</sup> In theory this ensures the union chairmen of some influence on management, but in practice it makes it unclear where their loyalty lies, particularly so in case of conflict. Loyalty to the enterprise director could significantly improve their chances for promotion, and indeed, a lot of trade union chairmen end up in management positions after a while.<sup>36</sup> In the strictly hierarchical relations of the typical Russian enterprise any opposition to the employer would reduce the chances for such promotion to zero.

This brings us to a further important reason behind trade union docility towards management; pressure from the side of the employer. Apart from the position of authority that goes with their function enterprise directors have other means at their disposal for disciplining the union committees. In the first place there is a financial lever. Union contribution fees are generally checked off wages automatically by the enterprise's accountants. Normally, they are subsequently remitted to the union committee, but when a conflict arises management can block this under the pretext of a lack of financial means. Several such cases have been reported.<sup>37</sup> The problem with these kinds of situations is that it is very hard to prove because information on the financial position of the enterprise is not accessible as a rule. As we will see in the next chapter this has often led the trade unions to include a clause in the collective agreement that obliges management to remit contribution fees on a regular basis. This does not seem to solve the problem though. The financial position of most enterprises is simply too precarious, and employers' control over enterprise funds too strong.

Union docility towards management seems to have a gender component as well. Enterprise directors are mostly older men, while a lot of the trade union committee chairs are women. In Moscow 76% of all chairs under forty years of age are female. In some economic sectors this percentage is particularly high, like the budget-sphere (60,6%), the co-operative sector (81,8%), and leased enterprises (90%).<sup>38</sup> In Russian society, where emancipation and feminism are still generally considered to be dirty words, the combination of an older, male director and a younger, female trade union chair would in most cases lead to patriarchal relations and a dominant position of the enterprise director.

Thus, management-trade union co-operation is enhanced by the persistence of traditional attitudes and, perhaps even more importantly, by pressure from the side of the employer. The union committees at the enterprise level find it difficult to confront this pressure because they have to do without the back-up of a powerful and well organised central trade union apparatus. On top of that they lack support among workers, who have got a highly

34. *Solidarnost'* 3, 1994.

35. Such was the case at all enterprises I visited, except for the *Ob'edinenie MGP "Mosgorsvet"*. At the MFP Research and Education Centre I was told that this was a widespread phenomenon, cf. interview with Stepantsjikova, N.O. and Tatarnikova, S.N. at the MFP Research and Education Centre, Moscow, 13-11-1995.

36. At the construction firm *Mosstroimekhanizatsia 3* for example, the former trade union chairmen is now vice-director of the enterprise: Interview with Matveev, V.V. at the A/O "*Mospromstroj-Mosstroimekhanizatsia 3*", Moscow, 28-11-1995.

37. *Solidarnost'* 21 (118), 1995.

38. *Solidarnost'* 2 (1995).

ambivalent attitude towards the unions. The next two paragraphs are devoted to this dual lack of support.

### Internal union relations

The traditional trade union committees at the enterprise level are integrated into the greater trade union apparatus along two parallel lines. Firstly, they are incorporated into the specific trade union for their branch of industry; and secondly, into territorial structures like the Moscow Federation of Trade Unions (MFP). Only at the top territorial and branch apparatus merge in the Federation of Independent Trade Unions of Russia (FNPR). For the primary organisations this entails a dual loyalty to the branch apparatus on the one hand and to the territorial apparatus on the other. In Soviet times this dual hierarchical structure provided the trade union top with a double grip on its apparatus. In combination with democratic centralism as an organising principle this greatly enhanced its power. Since the start of *perestroika* this internal balance of power has undergone substantial changes.

To begin with, the relaxation of control at the top of society has caused for a general bid for regional autonomy all through the Russian Federation, and indeed the former Soviet Union. This process, which has started way back into the earlier years of *perestroika*, has also enveloped the unions. Competition and struggle for authority between the territorial and the branch apparatus increasingly undermines the internal coherence of the FNPR. Especially the more reform minded Moscow Federation of Trade Unions is trying hard to achieve a more independent status within the FNPR.<sup>39</sup> The decentralisation drive however, had its biggest impact on relations between the primary union organisations at the enterprise level and the higher trade union hierarchy. In 1986 the All-Union Central Council of Trade Unions (VTsSPS) took the decision to restructure the union finances on a more decentralised basis; from then on up to 80% of the contribution fees were to remain at the enterprise level. The remaining 20% is transferred upwards to the territorial and branch apparatus.<sup>40</sup> This decision should be seen against the background of the widespread belief of those days that decentralisation could solve most of the problems that were troubling the ailing administrative command-economy. However, loosening the financial reins that held the trade union apparatus together mainly resulted in a fragmentation of this apparatus, and a general loss of power for the unions as a whole.

In the first place the decentralisation led to a fragmentation of financial resources at the expense of the central union funds.<sup>41</sup> After the social-security funds had also been taken away from the unions in 1993, the financial position of the higher trade union apparatus came under increasing pressure, with potential implications for the strike- and social welfare funds.<sup>42</sup> To some extent the unions managed to compensate for this by engaging in commercial activities and by selling off or renting out parts of their extensive real-estate

39. Nagaitsev, M. – “Trade Unions in Moscow”, in: *Labour Focus on Eastern Europe* 41 (1992), 17; Simon, R. – “Russian Trade Unions; towards neo-corporatism?”, in: *Labour Focus on Eastern Europe*, 42 (1992), 4; *Ekonomicheskaja demokratija – platforma moskovskikh profsoyuzov (MFP)*; unpublished 1994 manifesto of the Moscow Federation of Trade Unions (MFP).

40. *Solidarnost'* 12 (109), 1995.

41. Interview with Chalyj, S.P. at the Moscow city Municipal Workers' Union, Moscow, 17-11-1995.

42. Interview with Chalyj, S.P. at the Moscow city Municipal Workers' Union, Moscow, 17-11-1995.

properties.<sup>43</sup> Nevertheless, recurrent complaints about a lack of sufficient income are voiced at almost all higher union levels.<sup>44</sup> An even more serious implication of the decentralisation of funds was a loss of control by the union top over the trade union committees at the level of the enterprise, who had now gained financial independence. This has made it very difficult for the trade union top to transmit its policies onto the local trade union committees. Instead, as we have seen, the trade union committees increasingly came under the influence of enterprise managers. In fact, the trade union top and its rank-and-file are functioning more or less separately from each other. This considerably weakens the position of the trade unions in society. At the enterprise level the union committees basically stand alone in case of conflict with the employer. This considerably weakens their bargaining power, particularly so in an authoritarian society like Russia's.

### Worker-union relations

Worker-union relations are still highly coloured by the seventy years' experience of the soviet period with its monopoly position of the official VTsSPS unions. Although not obligatory, trade union membership used to be universal and automatic. Contribution fees were checked off employees' wages as "trade union tax". This state of affairs has left a deep imprint on both the unions' attitude towards their members and the workers' attitude towards the unions. From the side of the trade union committees at the enterprise level this is the tendency to see oneself primarily as the representative of the labour collective rather than just of their members. In the old days of universal trade union membership this distinction didn't exist. The trade union committee was the one and only representative of all workers at the enterprise. In recent years, however, this has changed. Since the loss of their monopoly position the traditional unions experienced some decline in membership. There are no really reliable data on this trend, but according to their own figures they represented 74,1% of all workers and employees in 1994.<sup>45</sup> This is still the overwhelming majority, but membership is not universal anymore, and the trade union committees are no longer the representatives of the entire labour collective as a matter of course. This has confronted them with the need to redefine their position, and a discussion has started on whether the unions ideally should represent the interests of all workers and employees at an enterprise, or just the interests of their own members.

The Moscow Federation of Trade Unions has already stated that in the future they will more and more try to defend the interests of their own members in the first place. This move seems to have been inspired by the will to show the benefits of trade union membership more clearly in order to halt the steady outflow.<sup>46</sup> At the enterprise level the situation is somewhat different. In some cases a similar policy line has been adopted by the trade union

43. According to the MFP's own data it derives about one third of its total revenues from such commercial activities, cf. *Informatsionnyj material o dejatel'nosti moskovskoi federatsii profsoyuzov s dekabrya 1990 goda po nojabr' 1995 goda* (Moskva, 1995), 103-105.

44. Interviews with Nesterova, G.I. at the Trade Union of Automobile-industry and Agricultural Machine building workers, Moscow, 18-10-1994 and Chalyj, S.P. at the Moscow city Municipal Workers' Union, Moscow, 17-11-1995.

45. *Sovremennaja praktika zakliuchenija kollektivnykh dogovorov v Rossii* (Moskva, 1995), 5.

46. *Ekonomicheskaia demokratija – platforma moskovskikh profsoyuzov (MFP); Motivatsija chlenstva v profsoyuzakh* (Moskva, 1993), publication of the MFP Research and Education Centre, p. 9.

committee.<sup>47</sup> In most enterprises however, and particularly in those where trade union membership is still a virtual hundred percent, the traditional notion of the union as the representative of the entire labour collective holds strong, and no distinction is made between members and non-members. This has got a lot to do with the existence in Russian society of strong egalitarian views and a general aversion to lobbying on behalf of real or perceived “sectarian” interests. In the context of the enterprise this has given rise to a mentality that puts the interests of the labour collective on a par with the interests of the enterprise as an economic entity. What is good for the enterprise is held to be good for the workers as well. This is a major factor behind continuing close co-operation between management and unions, which serves the common good of the enterprise, and hence the common good of the labour collective.

Among workers the seventy years’ experience of universal and automatic membership has led to a rather ambivalent attitude towards the unions. On the one hand there is a lack of confidence and even distrust because of their passive role and their indifference towards workers’ grievances during the soviet period. The unions are still very much associated with the ancien régime in which they played a disciplinary rather than a defendant’s function vis à vis the workers. Consequently they are widely believed to be on management’s side rather than on the side of the workers.<sup>48</sup> Paradoxically this has primarily led to a lack of confidence in the unions rather than in management itself. According to a 1994 survey on social partnership at the enterprise level by the Institute of Economics of the Russian Academy of Sciences not less than 40,9% of the workers consider enterprise management to be the real defender of their interests. Only 31,1% said the same thing about the unions.<sup>49</sup> Besides a good perception of existing power-relations at the enterprise, this reflects a widespread disbelief in Russian society about the possibilities of achieving something by action from below. According to the same survey 61,7% of the workers hold the opinion that the unions are not capable of achieving anything in the sphere of labour conditions.<sup>50</sup> In an authoritarian society like Russia’s, without democratic traditions, justice is expected to be handed down from above, and not to be claimed from below. In the best of paternalistic traditions workers choose to rely directly on enterprise management rather than on an intermediate layer like the unions.

Paradoxically, this fundamental lack of trust has not resulted in a really massive decline in union membership. As we have seen in 1994 still 74,1% of all workers were trade union members.<sup>51</sup> Most likely this should be ascribed to the real or perceived material benefits that go along with trade union membership. As such it reflects the other side of the prevalent attitude towards the unions among workers. In the soviet period the main function of the trade unions was distribution of goods and services to the workers, amongst others from the social security funds. This has shaped workers’ expectancies vis à vis the unions. They

47. *Solidarnost’* 17 (114), 1995; Interview with Chalyj, S.P. at the Moscow city Municipal Workers’ Union, Moscow, 17-11-1995.

48. Kessler, G. – *Trade Unions in Transition. Moscow 1994 – A case-study* (IISH Research-Paper, Amsterdam, 1995), 41.

49. *Formation of the Social Partnership in Russia*, unpublished report by the Centre for Labour Market Studies of the Institute of Economics at the Russian Academy of Sciences, prepared at the request of the International Confederation of Free Trade Unions in 1995, p. 16.

50. *Formation of the Social Partnership in Russia*, 17.

51. *Sovremennaja praktika zakliuchenia kollektivnykh dogovorov v Rossii* (Moskva, 1995), 5.

are primarily seen as institutionalised distributors of material and non-material benefits and only secondarily as an instrument for shaping labour conditions. Surveys have revealed that the most common reason for workers to turn to the unions is for obtaining material or non-material benefits of some kind. Help in solving labour disputes does not even take a second place.<sup>52</sup> This has been one of the main factors behind continued union control of the social security funds after their formal transfer to the state apparatus in 1993. Out of old habits workers kept turning to the unions for social security payments.<sup>53</sup> Distribution still is an important function of the unions which are fully aware that providing goods and services can considerably raise their profile among workers. A complicating factor is that workers do not always associate their entitlement to social benefits with trade union membership. There seems to be a widespread belief that obtaining social benefits is just a general right.<sup>54</sup> Obviously this is one of the reasons why the unions have started to distinguish more strictly between members and non-members. It is hoped that if workers are aware of the fact that only trade union membership can assure them of the right to receive material support this will halt the outflow of members, and might even lead to an increase. More about the distribution function of the unions in the next chapter however.

52. *Formation of the Social Partnership in Russia*, 10.

53. Interview with Balakov, A.N. of the Moscow city Roadworkers' Union, Moscow, 19-10-1994.

54. Significant in this respect is that workers who have left for the alternative unions often still turn to the traditional unions for obtaining material assistance. Interview with Kolechenkova, L.N. at the *Ob'edinenie MGP "Mosgorsvet"*, Moscow, 29-11-95.

### 3. Defending the workers' interests

Within the boundaries of the manoeuvring room outlined in chapter 1 the trade union committees try and defend workers' interests at their enterprises. Collective and individual forms of defence can be distinguished.

#### Collective bargaining

The first defence-line against violation of workers' interests by management is formed by the collective agreements. In the soviet period labour conditions and wages were regulated centrally by law, and confirmed in the collective agreement merely for the sake of formality.<sup>55</sup> This system was abolished in 1992. From then on labour conditions and wages were supposed to be regulated in the collective agreements.<sup>56</sup> Legally collective agreements are binding for all employees of a branch or enterprise, and valid for one to three years.<sup>57</sup> In chapter 1 I have briefly introduced the two-layer system of collective bargaining in Russia with the tariff agreement or *tarifnoe soglashenie* at the national, regional and branch level, and the proper collective agreement or *kollektivnyj dogovor* at the enterprise level. It is a highly decentralised system in which the tariff agreements offer only a general framework for the collective agreements that are dealing with the specific problems at the enterprises. The collective agreement is by far the most important of the two. The tariff agreements are too unspecified to be of much value for the protection of workers' interests at the enterprise level. Besides, in practice a lot of branches and regions lack a tariff agreement, mainly because the institutional fabric of tripartite collective bargaining at the regional and branch level is as yet very poorly developed. In Moscow for example, a general tariff agreement exists only for 10 of the 42 branches of industry and services in the city.<sup>58</sup>

At the enterprise level, the use of collective agreements for regulating labour conditions seems to have become more firmly established, that is to say in the (former) state sector of the economy. Most of the new private and co-operative enterprises remain outside of any system of collective bargaining. This is mainly because of the virtual absence of trade union representation in these sectors, where attempts at unionisation are often vehemently resisted. Much the same goes for foreign companies and joint ventures where people generally work on individual contracts. The use of collective agreements for regulating wages and labour conditions remains therefore largely confined to the (former) state sector, which are the domain of the traditional unions. The Moscow Federation of Trade Unions (MFP) claims that in 1994 a system of collective agreement negotiation existed in 82% of all Moscow enterprises in this sector.<sup>59</sup> Scarce statistical data indicate however that in reality this percentage is probably smaller. Only the construction branch (76%) and the municipal sector ( $\pm 80\%$ ) approach the supposed Moscow average while a large branch like the defence

55. Clarke e.a., 104.

56. *Sovremennaiia praktika zakliuchenia kollektivnykh dogovorov v Rossii* (Moskva, 1995), 7-9.

57. *Sovremennaiia praktika zakliuchenia kollektivnykh dogovorov v Rossii* (Moskva, 1995), 19 & 71.

58. *Sovremennaiia praktika zakliuchenia kollektivnykh dogovorov v Rossii* (Moskva, 1995), 20.

59. *Solidarnost'* 2 (99), 1995.

industry drops well below it with a collective agreement in place at only 40% of the enterprises.<sup>60</sup> This means that in quite a number of enterprises workers have to do without the protection of a collective agreement. This is explained by several factors.

In the first place a lot of enterprises are experiencing such financial and economic hardship, that production has virtually come to a stand-still, with most of the workers sent home on unpaid leave. Under such circumstances both management and trade union generally see no use in drawing-up a collective agreement, because it can not be implemented anyway.<sup>61</sup> These kind of problems exist in all branches, but they are most widespread in the defence industry, the metallurgical industry and in other branches of heavy industry.<sup>62</sup> Even when it doesn't come to a production stand-still financial and economic problems have a negative effect on collective bargaining. According to a 1994 Moscow survey enterprises in a bad financial and economic position tend to have a collective agreement less often than those with more favourable prospects.<sup>63</sup> Under the threat of a total collapse of the enterprise the employers try to avoid signing a collective agreement because it would tie their hands too much. They attempt to persuade the labour collective and the unions to refrain from any demands in the general interest of the enterprise. As a rule such arguments tend to be rather effective. People's lives are so much linked up with the enterprise that eventual enterprise closure is the ultimate nightmare to many. In the static Soviet system a job meant a job for life and the idea that their enterprise, that solid cornerstone of one's existence, might go down appears to be very threatening indeed.

In addition, privatisation has caused for a new kind of attachment to the enterprise. The great majority of state enterprises in Russia have been privatised to the labour collective under the provisions of the scheme of voucher privatisation, in which the labour collective can obtain up to 51% of shares in exchange for their vouchers; the other 49% of shares remain with the state.<sup>64</sup> As a result most workers are also shareholders of the enterprises they are working at. Remarkably enough this has not brought an end to the practice of collective bargaining as a way of regulating wage levels and labour conditions. Collective ownership does not imply workers' control of the enterprise, and workers have remained wage-earners in the first place; the fact that they are also shareholders merely entitles them to an as yet largely fictitious dividend. Wage levels are still set by the employer, that is the enterprise director. The same goes for labour conditions. Therefore, it is still a generally accepted practice to negotiate collective agreements. Paradoxically though, privatisation to the labour collective tends to have weakened the bargaining position of workers and unions in collective agreement negotiations. Because of collective ownership workers have become more susceptible to appeals from the employer to tighten one's belt for the benefit of the enterprise. A collapse of the enterprise would not only mean the loss of one's job, but also the loss of that tiny part of the national wealth that voucher privatisation has allotted to each citizen. Employers can exploit this situation by trying to persuade the

60. Interviews with Laptev, V.L. at the Union of Construction Workers, Moscow, 16-11-1995; Chalyj, S.P. at the Moscow city Municipal Workers' Union, Moscow, 17-11-1995, and Fomina, V.N. at the Trade Union of Defence Industry Workers, Moscow, 19-10-1994.

61. Interview with Chalyj, S.P. at the Moscow city Municipal Workers' Union, Moscow, 17-11-1995.

62. Interview with Fomina, V.N. at the Trade Union of Defence Industry Workers, Moscow, 19-10-1994.

63. *Solidarnost'* 2 (99), 1995.

64. *Solidarnost'* 12 (109), 1995.

workers to refrain from “excessive” or “unrealistic” demands in collective agreement negotiations, because it would jeopardise the survival of the enterprise. Sometimes employers even manage to persuade the labour collective that a collective agreement is no longer required because of the change in ownership relations. Along the same line of argumentation this often also involves a liquidation of trade union representation within the enterprise.

Thus voucher privatisation is frustrating the build-up of a real system of collective bargaining in Russia. Especially in the many enterprises that are experiencing severe financial and economic difficulties in the transition to a market economy workers are prepared to sacrifice the option of collective bargaining for the real or perceived common good of the enterprise. These problems are compounded by the lack of a general framework for collective bargaining at the enterprise level. As we have seen above a general tariff agreement is lacking in most branches of industry. And even in those branches where a tariff agreement does exist, trade union committees are not always conducting their collective bargaining efforts in accordance with it. Indeed, a 1994 MFP survey shows widespread ignorance of the branch tariff agreement (OTS) among trade union officials at the enterprise level. Not less than 60% of the trade union committee chairmen in those branches without an OTS responded affirmatively to the question whether there existed such an agreement for their specific branch.<sup>65</sup> Apart from incompetence on the side of a considerable part of the trade union committee chairmen, these findings above all reflect the lack of co-ordination within the trade union apparatus. As a result trade union committees at the enterprise level have to confront employers on a one to one, but in no ways equal basis, which considerably weakens their bargaining position in collective agreement negotiations. In fact, properly speaking collective bargaining does not exist in Russia, as it does not transcend the level of the individual enterprise. Collective agreements can therefore differ considerably from enterprise to enterprise, even within the same branch. Labour conditions and wages vary accordingly, which has rapidly increased inequality among workers in different enterprises, branches, and regions.

## The collective agreement

Usually the collective agreement covers the whole range of labour relations and -conditions at the enterprise, regulating wages, monetary and non-monetary premiums or supplements, secondary labour conditions, health and safety standards, working-hours, labour discipline and dismissal procedures as well as the rights and privileges of the trade union committee. Most of these things are somehow regulated by law, but there is a tendency to reaffirm these rights and privileges in the collective agreement, mostly under reference to the existing legal norms. Legal uncertainty seems to play a major role here; existing rights and privileges are laid down in the collective agreement just in case the law is suddenly amended to the worse.<sup>66</sup> At the *Mozhaiskij Universam* in Moscow for example, the collective agreement specifies that in case of a change in the law, the previous norms will be adhered to as long

65. *Solidarnost'* 2 (99), 1995.

66. *Solidarnost'* 2 (99) 1995.

as the collective agreement is valid.<sup>67</sup>

Much the same goes for the inclusion in most collective agreements of clauses on the position of the trade union within the enterprise. Because of the absence of up-to-date trade union legislation the collective agreement constitutes an important normative act in this field. In the first place it has a legitimising function for the trade union committee. All of the collective agreements I studied held a similar clause, stating that the employer recognised the trade union committee as the sole representative of the labour collective.<sup>68</sup> In the Russian context such a recognition has a dual function. On the one hand it safeguards the union from attempts at liquidation by the employer. On the other hand it serves to legitimise the trade union committee vis à vis the labour collective. The employer's recognition of the union as the sole representative of the labour collective is clearly meant to defend the traditional unions from attempts at the formation of alternative union structures within the enterprise.

At a more basic level, the collective agreement generally holds some elemental rights and privileges for the trade union committee like the provision of office-space, transport and communication by the employer as well as a protected status for elected trade union officials.<sup>69</sup> Also, the collective agreement often obliges the employer to regularly remit union contribution fees which are checked off workers' wages by the enterprise accountants, as we have seen in chapter 1. This is to prevent employers from withholding these fees as a means of putting pressure on the union. Finally, the union committee is generally assured of access to information on the financial and economic position of the enterprise. This is thought to be essential for the ability of the union to properly negotiate a collective agreement and to monitor its implementation.<sup>70</sup>

In the field of labour conditions the two hottest issues that are being addressed in the collective agreement are money-wages and social wages.<sup>71</sup> Since these two aspects of collective bargaining are crucial for a proper understanding of the role of the unions in shaping labour relations in Russia's enterprises, I will now discuss them in some more detail.

67. *Kollektivnyj dogovor TOO "Universam – Mozhaisk"* of 03-04-1995 (unpublished).

68. *Kollektivnyj dogovor TOO "Universam – Mozhaisk"* of 03-04-1995 (unpublished); *Firma Mosstroimekhanizatsia – 3 akcionernogo obshchestva "Mospromstroj"*. *Kollektivnyj dogovor na 1994 god* of 01-03-1994 (unpublished); *Kollektivnyj dogovor na 1994 god akcionernogo obshchestva "Torgovyj dom GUM"* of 25-02-1994 (unpublished); *Soglshenie mezhdru Pravitel'stvom g. Moskvy, Departamentom stroitel'stva i Moskovskim gorodskim komitetom profsoyuza rabotnikov stroitel'stva i promyshlennosti stroitel'nykh materialov* of 13-03-1995 (unpublished); *Soglshenie mezhdru Departamentom potrebitel'skogo rynka i uslug, Ligoj predprinimatelej trgovli g. Moskvy i gorodskim komitetom profsoyuza rabotnikov trgovli, obshchestvennogo pitanija i potrebkoooperatsii na 1995 god* (unpublished); *Moskovskoe trekhstoronnoe soglshenie na 1995 god*.

69. *Kollektivnyj dogovor TOO "Universam – Mozhaisk"* of 03-04-1995 (unpublished); *Firma Mosstroimekhanizatsia – 3 akcionernogo obshchestva "Mospromstroj"*. *Kollektivnyj dogovor na 1994 god* of 01-03-1994 (unpublished); *Kollektivnyj dogovor na 1994 god akcionernogo obshchestva "Torgovyj dom GUM"* of 25-02-1994 (unpublished).

70. *Sovremennaja praktika zakliuchenia kollektivnykh dogovorov v Rossii* (Moskva, 1995), 22-23. It is doubtful though whether trade union committees really get full insight into such confidential information. Although trade union officials I interviewed stated without exception that they got full access whenever they wanted to, this seems highly unlikely in view of the general cult of secrecy in Russia, and the still virtually absolute authority of enterprise directors. And even if the unions would get access, it remains doubtful whether the information provided by the employer would give much insight into the real financial position of the enterprise. Tax-evasion and the creative book-keeping associated with it are endemic in present-day Russia.

71. *Sovremennaja praktika zakliuchenia kollektivnykh dogovorov v Rossii* (Moskva, 1995), 25.

## Wages

Following the abolition of a centrally regulated wage system in 1992 determination of wage levels was, at least theoretically, left to market forces. Wages are determined by the employer and laid down in individual labour contracts.<sup>72</sup> Employer autonomy in setting wage levels is supposed to be counterbalanced by the provision of a minimum wage level by the state and by collective bargaining between unions and employers. These checks and balances are not operating very well though. Not particularly high at the time of introduction the official minimum wage in Russia has been eroded by inflation to such an abysmally low level that it serves a largely symbolical purpose by now. Its only function is that of a coefficient for calculating salaries of civil servants as well as various welfare benefits. The impact on wage levels of collective bargaining seems to be very limited as well.

According to a 1994 survey 6,2% of collective agreements did not hold any clauses on wage levels. A further 17% did not specify premiums and other wage supplements, which can constitute up to 40% of real wages in Russia.<sup>73</sup> And even when collective agreements do hold some element of wage regulation, this seldom goes beyond the stipulation that wages should not be lower than the official minimum wage. At best the collective agreement fixes wages at a level not lower than the official minimum of existence.<sup>74</sup> This minimum of existence is officially calculated for all of Russia's regions, but covers not much more than just the bare necessities of life. Apart from providing this minimum collective agreements generally do not specify concrete wages.

Instead a generally accepted practice seems to be that wages are still calculated on the basis of the fixed wage scales that existed before 1992. Because of inflation this necessitates periodical adjustment. Ideally this should be full regular indexation, but in practice wage increases have lagged far behind price increases.<sup>75</sup> This has caused for an enormous decline in real wage levels, and it has led the unions to press for full indexation of wages with both the state and the employers. So far without much result though; wages in the state sector are among the lowest in Russia, and only in exceptional cases, like in the Moscow metro, have the unions succeeded in including regular indexation of wages in the collective agreement.<sup>76</sup>

Thus, collective bargaining plays only a very minor role in determining wage levels. The only real factors are the financial position as well as the profitability of the enterprise. In

72. Kurennoj, A.M. – *Trudovoe pravo: na puti k rynku* (Moskva, 1995), 119.

73. *Sovremennaja praktika zakliuchenia kollektivnykh dogovorov v Rossii* (Moskva, 1995), 6.

74. *Kollektivnyj dogovor TOO "Universam – Mozhaisk"* of 03-04-1995 (unpublished), *Soglashenie mezhdru Pravitel'stvom g. Moskvy, Departamentom stroitel'stva i Moskovskim gorodskim komitetom profsoyuzov rabotnikov stroitel'stva i promyshlennosti stroitel'nykh materialov* of 13-03-1995 (unpublished), *Soglashenie mezhdru Departamentom potrebitel'skogo rynka i uslug, Ligoj predprinimatelej trgovli g. Moskvy i gorodskim komitetom profsoyuzov rabotnikov trgovli, obshchestvennogo pitaniia i potrebkooperatsii na 1995 god* (unpublished) and *Moskovskoe trekhstoronnoe soglashenie na 1995 god* stick to the minimum of existence. *Firma Mosstroimekhanizatsia – 3 aktsionernogo obshchestva "Mospromstroj"*. *Kollektivnyj dogovor na 1994 god* of 01-03-1994 (unpublished) and *Kollektivnyj dogovor na 1994 god aktsionernogo obshchestva "Torgovyy dom GUM"* of 25-02-1994 (unpublished) stick to just minimum wage.

75. Interview with Dubova, T.N. at the A/O "Torgovyy dom GUM", Moscow, 10-11-1995.

76. Interviews with Shubin, A. at the newspaper *Solidarnost'*, Moscow, 22-09-1995 and Buketov, K. at the newspaper *Solidarnost'*, Moscow, 06-10-1995.

the Moscow trade branch for example wages often are well below the official minimum of existence, which is a clear violation of the regional tariff agreement. The union ascribed this to financial problems at non-profitable enterprises, which prevented the employers from fulfilling the obligations of the collective agreement on this point.<sup>77</sup> This general practice of linking wages to enterprise profits finds a fertile ground in the notion of the enterprise as the embodiment of the common interest of the labour collective, particularly in enterprises that have been privatised to the labour collective. Even in trade union circles the simple linking of wages to enterprise profits is widely accepted.<sup>78</sup> In the present circumstances of general economic and industrial collapse this has resulted in abysmally low wages and a widening of wage differentials between economically more and less prosperous enterprises and branches.

Wages are lowest in the state and budget-financed branches. Here fixed wage scales are adhered to.<sup>79</sup> Without regular indexation this has brought wages in most of the state and budget sectors down to an average of about half the official minimum of existence. In the private sector wage levels vary considerably. In relatively prosperous branches like construction average wages are highest; about twice the official minimum of existence.<sup>80</sup> At the other end of the wage scale those branches can be found that are experiencing the greatest problems in the transition to a free market, like metallurgical and heavy industry, and most noticeably the defence industry. Here wages are generally even below the average for the budget and state sectors.<sup>81</sup> The majority of enterprises take a middle position with wages hovering around the official minimum of existence. It should be noted though that the above only refers to the former state enterprises that have now been privatised. In the new private and collective enterprises that have sprung up over the last ten or so years wages are considerably higher, particularly in the commercial and banking sectors. In the former state sector of the economy however, which is the turf of the traditional trade unions, severe financial and economic problems exercise a general downward pressure on wages.

This is compounded by the government's tax policy, which classifies as profits wage expenditures over six times minimum wage, or about half the official minimum of existence.<sup>82</sup> Although not officially described as such, this is clearly meant to keep wages down as a means of reducing inflation. Especially in enterprises with a weak financial position this tax policy seems to exercise a distinct downward pressure on wage levels. It should be noted though that official wages account for only part of total cash income, which can be substantially higher than official wage statistics suggest. Firstly, up to 40% of labour income is derived from premiums and other supplements to the basic wage sum.<sup>83</sup>

77. Interview with Krylova, T.I. and Kalinina, G.I. at the Moscow city committee of the Trade Union of workers in Commerce, Restaurants and Consumer Co-operatives, Moscow, 12-10-1995 & *Soglashenie mezhdru Departamentom potrebitel'skogo rynka i uslug, Ligoj predprinimatelej trgovli g. Moskvy i gorodskim komitetom profsoyuza rabotnikov trgovli, obshchestvennogo pitanija i potrebkoooperatsii na 1995 god* (unpublished).

78. This is especially the case in small-scale enterprises like the *Universam-Mozhaisk*: Interview with Denisova, L. and Biriukova, L.A. at the *TOO "Universam - Mozhaisk"*, Moscow, 24-11-1995.

79. Kurennoj, 132.

80. Interview with Laptev, V.L. at the Union of Construction Workers, Moscow, 16-11-1995.

81. Interviews with Fomina, V.N. at the Moscow city committee of the Trade Union of Defence Industry Workers, Moscow, 19-10-1994; Mazunov, A.B. at the *NPO "Geofizika"*, Moscow, 01-12-1995.

82. Kurennoj, 119; *Izvestia* Nr. 177 (20-09-1995).

83. Interview with Dubova, T.N. at the *A/O "Torgovyj dom GUM"*, Moscow, 10-11-1995.

Furthermore it appears that employers sometimes try to evade high taxes on wages by paying unofficial, unregistered additional wages on top of the normal wage.<sup>84</sup> I was told about such practices in the Moscow trade branch, but it would be difficult to assess how widespread they actually are. Most likely they remain largely confined to the more prosperous enterprises, particularly in the new private sector. Of far more fundamental importance for income levels is the provision by the employers of what is generally called the “social wage”, comprising a variety of social services and other non-monetary wage supplements.

## Social wages

The importance of the social wage dates back to soviet times, when social and welfare services were administered through the enterprise.<sup>85</sup> Housing, social welfare benefits, medical care and even scarce goods or foodstuffs were all distributed through the enterprise. The trade unions played a key role in this social security system. In the first place they were charged with the administration of the social security funds, as we have seen in chapter 1. Besides they distributed most of the other goods and services provided for by the enterprise. In view of this they have often been characterised as the social service of the Soviet regime. At the enterprise level the chairman of the trade union committee was often part of enterprise management. In this capacity he was responsible for “social affairs”. This close co-operation between trade unions and management in administering the social infrastructure at the enterprise lay at the root of the paternalistic system of labour relations in soviet society.<sup>86</sup>

*Perestroika* and the subsequent neo-liberal reforms led to a process of reorientation on the distribution activities of the trade unions. The alternative unions that appeared soon after the start of *perestroika* started this debate. They regarded distribution of goods and services as basically alien to the function of trade unions in society. They argued that the unions should get rid of their distribution functions in order to become “real” trade unions, dedicated to the defence of workers’ interests in society.<sup>87</sup> These notions prepared the ground for Yeltsin’s decision to transfer the social security funds to state authority. The traditional unions have vehemently opposed this, arguing that distribution of social and welfare services might be alien to the functions of a trade union, but that it would be unwise to dispense with under the present circumstances of economic hardship and low wages. They have therefore clung to their distribution functions and the unions’ distribution apparatus is still largely intact. Social infrastructure and social wage are important categories in the average collective agreement, specifying a whole array of welfare facilities, once-only grants and goods and services that can be purchased with substantial discounts. In fact the category of social wages seems to be the one and only field in which the unions

84. Interview with Krylova, T.I. and Kalinina, G.I. at the Moscow city committee of the Trade Union of workers in Commerce, Restaurants and Consumer Co-operatives, Moscow, 12-10-1995.

85. Clarke e.a., 24.

86. An excellent analysis of soviet labour relations can be found in Clarke e.a., ch. 4.

87. For an example of these views cf. “Alternative Trade Unions; Possibilities and Reality. An Editorial Roundtable Discussion”, in: *Soviet Sociology*, 1 (1991), 54-88.

are able to secure substantial concessions from enterprise management.

This should be seen on the background of the dismantling of the public social safety net since the start of reform. The end of guaranteed employment, medical care and housing has led to widespread feelings of insecurity amongst the population. This makes particular value is attached to the social infrastructure at the place of work. Attempts at a break-down of this social security would most likely meet with a lot of protest from workers. In the best paternalistic tradition the employer is still expected to provide good social facilities to the labour collective. Enterprise directors generally seem to be aware of these expectations, and in many cases undoubtedly feel a sense of responsibility towards the labour collective in this field.<sup>88</sup> What is more, good social facilities can play an important role in preventing workers' unrest. Co-operation of the union is essential for this. In the first place the administration of the enterprise's social infrastructure is still largely under its control. Secondly, part of this social infrastructure, as well as the costs of administration are financed from the union budget. This gives the unions a good bargaining position on the issue of social wages in collective agreement negotiations.

Basically the social wage package employers and unions offer to the workers consists of three elements; public, enterprise, and union facilities. The first category concerns the social security funds. The Labour Law obliges employers to set aside 5,4% of the total wage fund for social security benefits as paid sick- and maternity leave, medical care, subsidised holiday resorts, and child-care facilities.<sup>89</sup> Part of this sum is transferred upwards to regional and central social security funds, but the greatest part, usually as much as 74%, remains at the level of the enterprise.<sup>90</sup> Although officially under state control since 1993, these funds are still largely in the hands of the unions. The regional Moscow social security fund for the trade branch for example, is located in the same office as the Moscow city trade union committee for this branch. Co-operation between the two is still as intense as it used to be, I was assured by the chair of the union committee.<sup>91</sup> At the enterprise level generally no secret is made from continued union control; it is often explicitly mentioned in the collective agreement that the union is in charge of social security administration.<sup>92</sup>

Although essentially a public facility, the value of social security benefits varies among enterprises, particularly where holiday resorts, sanatoria and children's camps are concerned. These facilities are enterprise property, but are financed partly from the social security funds, partly by the enterprise, and partly by the unions. Not all enterprises, especially not the poorer and smaller ones, dispose of equally good facilities. In those cases the trade union committee generally makes use of facilities that are owned by the higher union apparatus.<sup>93</sup> The Moscow Federation of Trade Unions for example, owns a whole

88. *Solidarnost'* 3, 1994.

89. Mikhalev, V. - "Social Security in Russia under Economic Transformation", in: *Europe-Asia Studies*, Vol. 48, No. 1, 1996, 7.

90. Mikhalev, 7.

91. Interview with Krylova, T.I. and Kalinina, G.I. at the Moscow city committee of the Trade Union of workers in Commerce, Restaurants and Consumer Co-operatives, Moscow, 12-10-1995.

92. In all enterprises I visited the social security funds were still under union control. This was explicated in *Kollektivnyj dogovor TOO "Universam - Mozhaisk"* of 03-04-1995 (unpublished) and *Firma Mosstroimekhanizatsia - 3 aktsionernogo obshchestva "Mospromstroj"*. *Kollektivnyj dogovor na 1994 god* of 01-03-1994 (unpublished).

93. Interviews with Denisova, L. and Biriukova, L.A. at the *TOO "Universam - Mozhaisk"*, Moscow, 24-11-1995 and Kolechenkova, L.N. at the *Ob'edinenie MGP "Mosgorsvet"*, Moscow, 29-11-1995.

network of children's' health camps, the former Pioneer camps.<sup>94</sup> Vouchers for these facilities, or *putevki*, are partly financed by the union from the social security fund, partly by the employer and partly by the recipient. The recipient's own contribution generally is around 10%.<sup>95</sup> Not every employee is sure to receive a yearly *putevka*. On average coverage is around 10%.<sup>96</sup> At some enterprises those that were not allotted a *putevka* receive a once-only holiday grant as a compensation.<sup>97</sup>

Apart from the social security facilities enterprises generally provide other benefits for their employees like subsidies on important foodstuffs and consumer goods, and financial assistance to elderly, disabled and chronically ill workers, as well as to one-parent or many-children families. As a rule the exact facilities are specified in the collective agreement, and the unions are charged with the administration and distribution. Some of these financial assistance programmes overlap with the unions' own efforts in this field. Providing material support is one of the main activities of the trade union committees, and workers in need of assistance often turn to the union.<sup>98</sup> Apart from such incidental, individual help, the unions offer some more structural forms of support. I have already mentioned the child care facilities in this respect. More recently, as state run free medical care has come under increasing pressure, some unions have started to provide universal health-care insurance for workers.<sup>99</sup> Sometimes the collective agreement obliges the employer to finance this insurance program.<sup>100</sup>

Thus, the social wage consists of a myriad of overlapping enterprise and union financed facilities. There is close co-operation between unions and employers in this field out of a common interest in upholding the social infrastructure within the enterprise. There is a shared sense of responsibility for the social welfare of the labour collective. More pragmatic considerations also play a role. For the employers the provision of a good social infrastructure can be an instrument to prevent workers' unrest in spite of low wages. For the unions it has a legitimising function vis à vis the workers, who, because of the seventy years' experience of the soviet period, tend to look upon the union in the first place as a distributor of material benefits. This common interest and close co-operation are not to say that no conflicts arise over social infrastructure facilities between employers and unions. Financial difficulties can lead employers to cut down on social spending, or to try and get

94. *Informatsionnyj material o dejatel'nosti moskovskoi federatsii profsoyuzov s dekabnja 1990 goda po nojabr' 1995 goda* (Moskva, 1995), 74-83.

95. Interviews with Chalyj, S.P. at the Moscow city Municipal Workers' Union, Moscow, 17-11-1995; Dubova, T.N. at the A/O "Torgovyj dom GUM", Moscow, 10-11-1995; Denisova, L. and Biriukova, L.A. at the TOO "Universam - Mozhaisk", Moscow, 24-11-1995; Laptev, V.L. at the Union of Construction Workers, Moscow, 16-11-1995; Kolechenkova, L.N. at the Ob'edinenie MGP "Mosgorsvet", Moscow, 29-11-1995, and Matveev, V.V. at the A/O "Mospromstroj-Mosstroimekhanizatsia 3", Moscow, 28-11-1995.

96. *Informatsionnyj material o dejatel'nosti moskovskoi federatsii profsoyuzov s dekabnja 1990 goda po nojabr' 1995 goda* (Moskva, 1995), 73.

97. Interview with Kolechenkova, L.N. at the Ob'edinenie MGP "Mosgorsvet", Moscow, 29-11-1995.

98. *Formation of the Social Partnership in Russia*, p. 10.

99. This is said to be general practice in the trade branch, the textile industry and the metallurgical industry, cf. *Informatsionnyj material o dejatel'nosti moskovskoi federatsii profsoyuzov s dekabnja 1990 goda po nojabr' 1995 goda* (Moskva, 1995), 48. I have come upon examples of such health insurance schemes in: Interviews with Dubova, T.N. at the A/O "Torgovyj dom GUM", Moscow, 10-11-1995, and Krylova, T.I. and Kalinina, G.I. at the Moscow city committee of the Trade Union of workers in Commerce, Restaurants and Consumer Co-operatives, Moscow, 12-10-1995.

100. *Kollektivnyj dogovor TOO "Universam - Mozhaisk"* of 03-04-1995 (unpublished).

rid of expensive social facilities like holiday resorts and children's' camps altogether.<sup>101</sup> Also, conflicts can arise over revenues from leasing out social facilities to other enterprises, commercial structures or private persons.<sup>102</sup>

## Violations

One of the big problems associated with collective bargaining in Russia is the implementation of existing collective agreements. Violations are widespread. As indicated above, even the already insignificant wage requirements specified in collective agreements are very often not observed by the employers. Much the same goes for overwork regulations, premiums, and social facilities. In a 1994 survey among trade union committee chairs, only about one third of the respondents reported total fulfilment of the collective agreement at their enterprise.<sup>103</sup> This indicates a widespread lack of respect for the collective agreement among employers. Traditional attitudes are no doubt a major factor here. The overwhelming majority of employers have made their careers back in the soviet era, when any form of economic democracy was lacking and enterprise directors had virtually absolute authority. The unions have proven to be not very capable of counteracting management's high-handedness as concerning the collective agreement. Again, this can partly be attributed to the persistence of traditional, docile attitudes towards management. Not less than 10% of the respondents in the 1994 survey of trade union committee chairs indicated not to take action in case of violation of the collective agreement.<sup>104</sup>

Generally non-confrontational tactics of persuasion are adopted, and only in exceptional cases the unions resort to more drastic measures, like taking legal action or the threat of striking. Partly this is because of fears or aversion to confront the employer, partly because of the considerable difficulties associated with such forms of action. Taking legal action is beset with problems in present-day Russia. Court procedures suffer from constant delays and a lack of experience in non-criminal cases, as well as from corruption and bribery. And even if a case is taken to court successfully, sanctions on the violation of the collective agreement are too insignificant to have much effect. The maximum penalty employers face is the equivalent of a hundred minimal wages; some hundred and fifty American dollars.<sup>105</sup> Striking is even more problematic. In the first place the legal right to strike has been limited considerably over the last years, as I have described in chapter 1. Secondly, in the present economic situation striking holds the risk of a complete collapse of the enterprise, particularly at virtually bankrupt enterprises.<sup>106</sup> Furthermore traditional trade union leaders have no experience in organising strikes, which makes them reluctant to embark upon a

101. Interviews with Chalyj, S.P. at the Moscow city Municipal Workers' Union, Moscow, 17-11-1995; Stepantsjikova, N.O. and Tatarnikova, S.N. at the MFP Research and Education Centre, Moscow, 13-11-1995 UITs, and Laptev, V.L. at the Union of Construction Workers, Moscow, 16-11-1995.

102. Interview with Yurova, G. at the *Agentstvo sotsial'no-trudovoi informatsii (ASTI)*, Moscow, 13-12-1995.

103. *Sovremennaia praktika zakliuchenia kollektivnykh dogovorov v Rossii* (Moskva, 1995), 28.

104. *Sovremennaia praktika zakliuchenia kollektivnykh dogovorov v Rossii* (Moskva, 1995), 30-31.

105. Interview with Stepantsjikova, N.O. and Tatarnikova, S.N. at the MFP Research and Education Centre, Moscow, 13-11-1995.

106. According to a 1993 survey, 37,8% of the trade union committee chairmen in the Moscow construction branch regard striking as irresponsible under the present economic circumstances. And this is still a relatively prosperous branch, cf. *Solidarnost'* 3, 1994.

collision course with the employer.<sup>107</sup> Instead they choose to rely on good relations and close co-operation with management to ensure fulfilment of the collective agreement.

One of the few breaches of the collective agreement that sometimes forces the unions to adopt more confrontational tactics is non-payment of wages. Wage-arrears are a particular serious problem in present day Russia. At an increasing number of enterprises no wages are being paid, sometimes for months at a stretch. This is due to an over-all crisis of payments that has been troubling Russia's economy for some years now. Due to financial problems enterprises stop paying for delivered goods and services, which has led to a virtual chain-reaction of payment-arrears and tremendous inter-enterprise debts. As a result employers often stop paying taxes and wages. In some regions and branches wage-arrears are more common than in others. In Moscow the problem remains largely confined to the defence and automobile industry, as well as those branches of the state sector that are financed from the federal budget.<sup>108</sup> No branch is entirely free from it though.

Employers generally ascribe non-payment of wages to solvency problems, but there is some evidence that wage arrears are not so much due to an absolute lack of funds as rather to the fact that enterprise directors divert scarce funds to other purposes.<sup>109</sup> Whatever the precise reason may be, employers are responsible for prompt and regular payment of wages, in any case by law, and in many cases by collective agreement as well.<sup>110</sup> Yet, many of the trade union committees hesitate to confront them with this responsibility. Instead, the government is being blamed for wage-arrears. Its disastrous economic policy, absurd taxes and non-payment for delivered goods and services are held responsible for the whole crisis of payments, and hence wage-arrears. The only way out of the situation is a change in government policy in the long run, and state subsidies for ailing enterprises in the short run, it is argued.<sup>111</sup> Prolonged non-payment of wages therefore mostly leads to a joint lobbying for state subsidies by employers and trade unions rather than to a conflict between the two, although it undeniably also puts some strain on labour relations within the enterprise.

Only in isolated cases the unions are turning on management for securing payment of back wages. Curiously enough trade union committees in privatised enterprises do not appear to be more likely to hold the employer responsible for wage-arrears than in state-owned enterprises, although one would expect so. In fact, the only documented case of a labour conflict between employer and trade union over wage-arrears in Moscow is that of the state owned *NPO "Geofizika"*. This is even more surprising because this huge plant, producing control-systems for satellites and ballistic missiles, belongs to the military-industrial complex, where the government is indeed largely responsible for the present crisis. The

107. Interview with Smirnov, P.G. at the Institute of Economics of the Russian Academy of Sciences (RAN), Moscow, 26-09-1995.

108. Interview with Stepantsjikova, N.O. and Tatarnikova, S.N. at the MFP Research and Education Centre, Moscow, 13-11-1995.

109. Morvant, P. "The Beleaguered Coal-Mining Industry Strikes Back", in: *Transition*, 12 (1995), p. 57; Interview with Rudy Porter at the ICFTU Moscow office, Moscow, 14-09-1995.

110. A lot of collective agreements even specify the dates on which wages have to be paid; usually twice a month. Cf. *Kollektivnyj dogovor TOO "Universam - Mozhaisk"* of 03-04-1995 (unpublished); *Firma Mosstroimekhanizatsia - 3 aktsionernogo obshchestva "Mospromstroj"*. *Kollektivnyj dogovor na 1994 god* of 01-03-1994 (unpublished) and *Kollektivnyj dogovor na 1994 god aktsionernogo obshchestva "Torgovj dom GUM"* of 25-02-1994 (unpublished).

111. Interviews with Shubin, A. at the newspaper *Solidarnost'*, Moscow, 22-09-1995 and Buketov, K. at the newspaper *Solidarnost'*, Moscow, 06-10-1995.

realisation of the peace-dividend has led to substantial cuts on government spending for the defence sectors, and to a more or less forced programme of conversion without any form of financial assistance. At many enterprises production has come to a virtual stand-still, and wages in the defence sector are the lowest in the whole of Russia.<sup>112</sup>

The situation at the *NPO "Geofizika"* offers a good example. State orders have shrunk to a minimum, the conversion programme has proven economically not viable, and enterprise debts have risen to such levels that the energy supply is threatened to be cut off. Wages have not been paid for months. Although it recognises that in the last instance the government is to blame for this crisis, the union holds the employer responsible for the wage arrears. He is supposed to have done not enough to try and find the means to solve this problem. Eventually this has led to a full-blown labour conflict, mainly because the enterprise director refused to enter into a dialogue with the labour collective on the problems of the enterprise. In October 1995, after several unsuccessful legal procedures the union organised a referendum among the labour collective, in which a vote of non-confidence in the director was cast with a majority of 85%. The result of all this has been zero, however. The director has not resigned by himself, and the government has refused to dismiss him from his post. In the interview the trade union chairman expressed his profound disillusion and admitted that he had no idea as to what steps could further be taken.<sup>113</sup>

Similar cases have been reported from other areas, like that of an Orenburg defence plant where enterprise management has simply ignored a court order to resume paying wages.<sup>114</sup> It is indeed probably the difficulties of taking legal action that is the main barrier to a more confrontational policy of the unions against non-payment of wages. Legal procedures are too haphazard, sanctions too insignificant, and a lack of esteem for court rulings too widespread. All in all this makes the chances of getting back wages paid are better when pressing for state subsidies together with enterprise management than in the case of a labour dispute with the employer.<sup>115</sup> Thus, collective lobbying largely substitutes for collective bargaining in Russia.

## Individual workers' rights

Every-day union work is for a large part concerned with the defence of individual workers' rights. In case of a labour dispute with the employer workers can turn to the unions for assistance in solving the conflict. The union committee takes the matter up with management and tries to mediate. If legal action is required the unions can provide juridical assistance. Generally the trade union committees rely on the higher union apparatus for such services, but at larger enterprises they sometimes have their own lawyers.<sup>116</sup> As a rule the possibilities for taking legal action are a lot better in cases of individual labour disputes than

112. Interview with Fomina, V.N. at the Moscow city committee of the Trade Union of Defence Industry Workers, Moscow, 19-10-1994.

113. Interview with Mazunov, A.B. at the *NPO "Geofizika"*, Moscow, 01-12-1995.

114. *Delo*, Nr. 36 (122), April 1995.

115. Interview with Shubin, A. at the newspaper *Solidarnost'*, Moscow, 22-09-1995.

116. Interview with Stepantsjikova, N.O. and Tatarnikova, S.N. at the MFP Research and Education Centre, Moscow, 13-11-1995.

in cases of collective labour disputes. Legal norms are better defined, and the unions have managed to win quite a number of cases, mostly on violations in the sphere of illegal dismissal and non-payment of due premiums and benefits.<sup>117</sup>

Furthermore the unions still play an important role in checking up on violations of health and safety standards, in spite of the transfer of the health and safety inspectorate to state authority in 1994. In most branches the unions have maintained their health and safety inspectorate, mainly because as yet no functioning state inspectorate exists. Some state inspectors have been appointed, but they lack an administrative apparatus, a budget, and even basic necessities like office space, transport and communication.<sup>118</sup> The actual inspection work is therefore still largely done by union personnel. They are hindered however by the loss of official status, which means their rulings are not binding for employers. In one Moscow branch this problem has been solved by an unofficial alliance between state- and union inspectors. The union reports violations of health and safety standards to the state inspectors, who then dispatch official rulings to the employers.<sup>119</sup> How widespread such practices are in other branches is hard to say, but by and large the unions have managed to keep their health and safety inspectorate more or less operational. It is to be expected though that these activities will be progressively taken over by the state inspectorate.

In the current transitional period though the unions' commitment to the defence of individual workers' rights is of crucial importance. Workers themselves generally are little aware of their rights.<sup>120</sup> A 1994 survey shows for example that about 40% of workers have no idea whether a collective agreement exists at their enterprise.<sup>121</sup> A lack of experience with life in a constitutional state is the major factor behind this widespread ignorance. It holds the danger of a substantial deterioration in workers' rights during the current period of restructuring of the economy. In case of privatisation for example, existing labour contracts are no longer valid, and have to be drawn up anew. Mostly this results in a substantial deterioration of workers' legal position. The new labour contracts are generally forward contracts, which gives the employer the possibility of laying off workers at any time.<sup>122</sup> The ignorance among workers on their legal rights is a potential threat to the position of the unions as well. Many employers have successfully persuaded the labour collective to liquidate trade union presence within the enterprise, arguing that there is no need for a union because workers' rights are sufficiently safeguarded by law.

The unions are trying to combat this ignorance by informing workers on their legal rights and the ways to assert them. Such enlightenment and education campaigns are rapidly becoming more and more important aspects of trade union activity. This does not remain confined to informing workers. The trade union rank-and-file at the enterprise level are also suffering from an amazing degree of ignorance in the field of legal norms and rights, and

117. *Informatsionnyj material o dejatel'nosti moskovskoi federatsii profsoyuzov s dekabnja 1990 goda po nojabr' 1995 goda* (Moskva, 1995), 60-63.

118. Interview with Chalyj, S.P. at the Moscow city Municipal Workers' Union, Moscow, 17-11-1995.

119. Interview with Chalyj, S.P. at the Moscow city Municipal Workers' Union, Moscow, 17-11-1995.

120. Interview with Stepantsjikova, N.O. and Tatarnikova, S.N. at the MFP Research and Education Centre, Moscow, 13-11-1995.

121. *Sovremennaia praktika zakliuchenia kollektivnykh dogovorov v Rossii* (Moskva, 1995), 63.

122. Interview with Yurova, G. at the *Agentstvo sotsial'no-trudovoi informatsii (ASTI)*, Moscow, 13-12-1995.

a lack of experience in defending people's rights.<sup>123</sup> According to a 1994 survey not less than 44.7% of them felt that they were unable to achieve anything in the fields of labour conditions and defence of workers' rights.<sup>124</sup> In view of this, information-, training- and education campaigns among both workers and trade union activists have increased enormously over the last years. Especially the Moscow Federation of Trade Unions has done a lot in this field. At its own Education and Research Centre it has set up an ambitious training programme with intensive seminars and training courses for rank-and-file trade union leaders.<sup>125</sup> If successful, these training programmes can lay a good foundation for a more active role of the enterprise trade union committees in the future.

123. Interview with Stepantsjikova, N.O. and Tatarnikova, S.N. at the MFP Research and Education Centre, Moscow, 13-11-1995.

124. *Formation of the Social Partnership in Russia*, p. 16.

125. *Informatsionnyj material o dejatel'nosti moskovskoi federatsii profsoyuzov s dekabnja 1990 goda po nojabr' 1995 goda* (Moskva, 1995), 83-91.

## 4. Lobbying for industry and voicing the malcontent

As the previous two chapters might have made clear, the role of the traditional unions in shaping labour conditions is limited. Summarising, it amounts to the following. First of all, the unions have virtually no influence on wage levels in Russia. Wages are set by the employer, determined by the profitability of the enterprise and not by collective bargaining. This is explained by several factors. The most important is the complete lack of experience of the unions in wage negotiations. Central wage regulation by the state has only been abolished in 1992, and in a lot of enterprises both management and unions are still adhering to old wage-scales, more or less adjusted to compensate for inflation. The price of labour is not regulated by the market; in spite of their market economy rhetoric the unions have not adopted notions of labour power as a commodity, that is to be sold at the best possible price. As a consequence the price of labour is very cheap in post-socialist Russia.

This is not a matter of a lack of experience and of passivity from the side of the unions alone. Their bargaining power is also undermined by the decentralised system of collective bargaining in Russia. With the branch tariff agreements being largely empty shells, real negotiations are taking place at the level of the individual enterprise. Here, as has been illustrated in chapter 1, circumstances allow for a rather high degree of management control, which effectively precludes a strong stance of the trade union committee vis à vis the employer. Finally, a powerful determinant is the state's tax policy, aimed at keeping wage levels down as a remedy against inflationary pressures. Thus, real wage levels have been eroded tremendously since the start of the neo-liberal reform programme in 1992. On top of that there is the problem of widespread wage-arrears. Their impotence in halting this downward trend undoubtedly further eroded the already minimal confidence among workers in the trade unions, particularly where non-payment of wages is concerned.

In the field of defence of individual workers' interests the unions have managed to keep a better profile. They have proven to be able to gain successes through legal procedures despite the tremendous difficulties associated with this in Russia. More importantly they have taken up the task of informing workers about their legal rights, which can potentially increase their involvement in solving labour disputes.

The bulk of the unions' time and resources is however committed to the administration of social and welfare provisions. They still control most of the state social security funds and are lobbying for a good social infrastructure at the enterprise level. Apart from a dedication to the cause of social security feeding on a long tradition, their involvement in this field is also explained by the exigencies placed upon them by other social actors. First of all the state has thus far proved unable or unwilling to provide a social security net to replace the old union-enterprise one. Without any doubt financial considerations are the main factor here. If the state would really want to gain full control of the social security funds, this would involve building up a huge administrative apparatus, the funds for which are evidently lacking. Seemingly, the state is quite content to let the unions handle and finance the actual distribution of social security payments.<sup>126</sup> Sometimes the state is even supporting the unions' social programmes financially. In Moscow for example, where the

126. Interview Buketov, K. at the newspaper *Solidarnost'*, Moscow, 06-10-1995.

local government is in a relatively good financial position, all kinds of social benefits provided for by the unions are supplemented from the city budget. Also, the Moscow government participates in the Moscow Federation of Trade Unions' programme in setting up a system of children's' summer camps.<sup>127</sup> Meanwhile its official jurisdiction over the social security funds enables the state to draw on them for covering budget deficits and to retain some control over the trade unions.

As far as the workers are concerned, I have already pointed out that they attach great value to social security benefits. The unions' prestige among workers is very much dependent on their role as distributors of social wealth. Workers seem to attach even more importance to the provision of an elaborate social safety net than to higher wages.<sup>128</sup> In the soviet period people were cared for from the cradle to the grave and now they seem somewhat reluctant to take their life in their own hands. Finally, employers have an interest in the continuation of the unions' social distribution function. I have already pointed out above that providing good social facilities can do a lot to prevent workers' discontent with low wages and bad labour conditions from turning into social unrest and overt protest. Therefore employers are quite willing to contribute financially to the provision of a social infrastructure at the enterprise. Another reason is that employers often use the social distribution function of their enterprise as a lever to obtain further state subsidies.<sup>129</sup> There is some evidence that employers tend to attach even greater value to a good social infrastructure than the unions do. In a 1993 survey of the Moscow construction branch about twice as much enterprise directors as trade union committee chairmen found inclusion of a system of social distribution in the collective agreement an absolute priority.<sup>130</sup> This is a clear indication that the unions are to some extent forced into a role of social distribution network by the employers.

Thus, distribution of goods and services is a key function of the traditional trade unions. It is in a lot of ways their *raison d'être* and a major determinant for their relations with the state, the workers and the employers. The importance of the social wage which the unions provide should not be underestimated. It is an important element of the mysterious ways in which so many Russians manage to make ends meet in spite of abysmally low wage levels and recurrent non-payment of wages. All in all it can represent substantial extra income, which would have been impossible to achieve in the form of wage increases.<sup>131</sup> As the impoverishment of Russian society deepened and deepened with every year of neo-liberal reform this has increasingly silenced the ongoing debate on whether the trade unions should, properly speaking, abandon their distributive activities or not. Even among the alternative unions, who used to be the most ardent advocates of a "pure", Western type trade union movement, *Sotsprof*-chairman Sergei Khramov is the only one left to propagate a transfer of all social distribution functions to the state.<sup>132</sup> It is widely realised that such

127. *Informatsionnyj material o dejatel'nosti moskovskoi federatsii profsoyuzov s dekabnja 1990 goda po nojabr' 1995 goda* (Moskva, 1995), 25 & 75.

128. Interview with Stepantsjikova, N.O. and Tatarnikova, S.N. at the MFP Research and Education Centre, Moscow, 13-11-1995.

129. *Solidarnost'* Nr. 12 (109), 1995.

130. *Solidarnost'* 3, 1994.

131. Interview with Stepantsjikova, N.O. and Tatarnikova, S.N. at the MFP Research and Education Centre, Moscow, 13-11-1995.

132. *Solidarnost'* 12 (109), 1995.

a transfer would probably mean a swift break-down of existing facilities. In the few cases where a transfer of the social infrastructure to the central or municipal authorities took place this invariably meant its instant collapse, because the state budget cannot provide the necessary financial means for keeping it operational.<sup>133</sup>

On the whole this greatly enhances the unions' dependency upon good relations with enterprise management. Because of low wages and constant wage-arrears contribution fees can never be sufficient to cover expenses for the up-keep of the unions' social facilities. They have to rely on additional funding from the employers for this purpose. The unions' social distribution function is conditional upon the support of enterprise management.<sup>134</sup> In the last instance this is the decisive factor behind the continuing close co-operation between unions and employers that can be observed at all levels of post-socialist Russian society. It bears a striking analogy to the position of the trade unions in the soviet period, and it indeed could be and has been argued that not a lot has changed in the traditional trade union movement since that time. Yet, to my view, this would be a much too simple conclusion. Indeed the trade unions' functions are still very much the same as in the soviet period. However, in the rapidly changing environment of post-socialist Russia this has resulted in a somewhat different role or niche in society.

In the first place the unions' co-operation with management has caused them to take a stand against the state rather than against the employer after privatisation. Relieved of their former ties to the party and the state the unions have been drawn into the wider debate on state withdrawal from economic life in Russia. Feeding on notions of a joint responsibility for the labour collective they operate alongside enterprise management in this debate. What is at stake is the responsibility and commitment of the state in the transition to a free-market economy. Thus far privatisation in Russia has been a process of mere state withdrawal. Responsibility for the fate of the ailing former state enterprises was simply shifted from the state to the enterprise directors. It was up to them to carve out a niche for their often highly inefficient enterprises in the new market environment. If they didn't make it the market or their managerial qualities were to blame. Within the enterprises this is felt differently. According to a 1994 survey of trade union leaders and employers in 40% of the cases the economic difficulties of their enterprises were directly attributed to the economic policy of the government. In another 40% the problems of the enterprise were ascribed to the general economic crisis, for which the government was held responsible in the last instance. Only in 10% of the cases bad management was mentioned as the main cause of the current problems.<sup>135</sup> Whether this reflects a realistic outlook on things is besides the point here. Important is that it reflects a refusal to accept full responsibility for the fate of the now privatised enterprises and a widespread conviction that it is essentially the government that is to blame for Russia's economic decline.

This has led both unions and employers to press for increased state involvement in order to find a way out of the present economic crisis. In this respect union-management co-operation largely serves the purpose of lobbying for state subsidies to ailing enterprises

133. Interview with Stepantsjikova, N.O. and Tatarnikova, S.N. at the MFP Research and Education Centre, Moscow, 13-11-1995.

134. Interviews with Yurova, G. at the *Agentsvo sotsial'no-trudovoi informatsii (ASTI)*, Moscow, 13-12-1995, and Smirnov, P.G. at the Institute of Economics of the Russian Academy of Sciences (RAN), Moscow, 26-09-1995.

135. *Formation of the Social Partnership in Russia*, p. 3.

and branches of industry.<sup>136</sup> The employer-union alliance in the *Labour Union* election bloc is just an extension of this strategy into the political arena, and should mainly be seen as a lobby-group. Its programme envisages a substantial increase in state involvement in the economy.<sup>137</sup> Unlike the *Labour Union* that failed to reach the 5% barrier in the elections, lobbying by individual enterprises and branches of industry has proved fruitful. Especially in the earlier years of neo-liberal reform Gaidar's shock therapy was increasingly undermined by the Central Bank that repeatedly granted substantial subsidies to ailing enterprises and branches. Not all of these subsidies eventually reached the enterprises. Often, they get lost or stuck at a higher level in the state hierarchy, mostly already just below the ministry level.<sup>138</sup> This is mainly due to the all-encompassing crisis of payments that makes even government bodies confiscate whatever funds passing through their hands. A more fundamental problem associated with lobbying for state subsidies is that they fuel inflation. By the time they reach the enterprises their value has greatly diminished and they can only just cover running expenses and outstanding wage-arrears, after which the need for new subsidies arises.<sup>139</sup>

Because of their successful lobbying efforts the trade unions have come to attach greater and greater value to a dialogue with the state. The need for a tripartite system of social partnership, involving the government, rather than just a bipolar dialogue between employers and unions, is something that is continually being stressed by the FNPR and its member unions.<sup>140</sup> State involvement is seen as the best guarantee for actually achieving something. Indeed, as far as the Moscow situation is concerned, virtually the only collective agreements that are being lived up to, are those where the state is somehow committed.<sup>141</sup> A good example is the construction branch. Although it has formally been privatised it is still largely under state authority. The large construction trusts have preserved extensive formal ties to the Moscow City Construction Department and could in fact be classified as semi-state enterprises. Besides, the municipal government is responsible for about 99% of orders in this branch of industry. An elaborate regional tariff agreement has been drawn up which provides for a rather high degree of state involvement, and is implemented fairly well.<sup>142</sup> The same thing goes for the general Moscow tariff agreement with its large element of state involvement in the provision of a social safety net for workers and employees.<sup>143</sup>

In this sense the unions reflect a general trend in Russian society to press for state support and state regulation. Four years of neo-liberal reform seem to have progressively undermined the initial enthusiasm for a laissez-faire market economy. Instead a return to some form of state regulation is being advocated by many. The ascent of the Communist Party reflects this mood. In this general atmosphere the traditional trade unions are aligning

136. Interview with Buketov, K. at the newspaper *Solidarnost'*, Moscow, 06-10-1995.

137. "Predvybornaia platforma izbiratel'nogo ob'edinenia  $\beta$ Profsoyuzy Rossii - na vyboryb" in: *Solidarnost'* 18 (115), 1995.

138. Interview with Yurova, G. at the *Agentstvo sotsial'no-trudovoi informatsii (ASTI)*, Moscow, 13-12-1995.

139. *Rossiiskie Vesti*, 25 (09-02-1995).

140. See for example *Informatsionnyj material o deiatel'nosti moskovskoi federatsii profsoyuzov s dekabria 1990 goda po noiabr' 1995 goda* (Moskva, 1995), pp. 12-21; "Predvybornaia platforma izbiratel'nogo ob'edinenia  $\beta$ Profsoyuzy Rossii - na vyboryb" in: *Solidarnost'* 18 (115), 1995.

141. Interview with Stepantsjikova, N.O. and Tatarnikova, S.N. at the MFP Research and Education Centre, Moscow, 13-11-1995.

142. Interview with Laptev, V.L. at the Union of Construction Workers, Moscow, 16-11-1995.

143. *Moskovskoe trekhstoronnoe soglashenie na 1995 god*.

more and more with those forces in society that are opposing the government's privatisation programme. Even a relatively "progressive" union like the Moscow Federation of Trade Unions now claims that voucher-privatisation has eroded any support whatsoever from the population for the privatisation programme.<sup>144</sup> Without any doubt this reflects the general mood of a substantial part of the workforce. Exemplary in this respect was last December's meeting of the labour collective at the Moscow automobile plant *ZIL*. As the problem of prolonged non-payment of wages at the enterprise was discussed emotions ran high. Initially popular anger focused on enterprise management, particularly after the general director had said that the *ZIL* workers had no right to complain because they hadn't been paid for only three months while at other enterprises like the *KAMAZ* truck factory workers had not been paid for six months. As the meeting went on the mood changed. A proposal by the chairman of the alternative union *Zaschchita* to form a strike committee met with only lukewarm support. On the contrary a proposal to demand immediate renationalisation of the enterprise provoked a standing ovation from the audience.<sup>145</sup>

In this way the traditional unions are more and more becoming the voice of those that have suffered from the reforms. Lobbying for state subsidies is most intense on behalf of those enterprises and branches that are facing sheer insurmountable problems in the change-over to a market economy. In the very first place this is the defence industry. The "resurrection of industry" advocated in the *Labour Union* election programme has to be understood primarily as a euphemism for resurrection of the military-industrial complex.<sup>146</sup> Here the economic crisis has hit hardest of all. The survival of large parts of this formerly heavily privileged branch of industry seems impossible under market circumstances. Especially in this branch this has proved very hard to accept. The military-industrial complex was the cream of soviet industry, and enjoyed considerable prestige in society. This is in sharp contrast to the present situation of extremely low wages and most enterprises hovering on the brink of collapse. There is an acute sense of a loss of status among defence industry workers.<sup>147</sup>

The alignment of the unions with those branches that suffer most from the change-over to a free market, like the defence and other heavy industry, has caused for some tension within the FNPR. The vice-chairman of the Moscow city Municipal Workers' Union (PMR) for example expressed his irritation that the FNPR is lobbying predominantly on behalf of heavy industry, regardless of the fact that other branches, like light industry, are having substantial problems as well.<sup>148</sup> Besides, not all union leaders support the FNPR's increasingly anti-reform rhetoric.<sup>149</sup> The same tensions can be observed among union members. The unions' main activities are geared towards providing a safety net for socially weak groups of workers and employees, or, as one trade union leader put it: "We are

144. *Ekonomicheskaja demokratija - platforma moskovskikh profsoyuzov (MFP)* 3.

145. Author's own observations during the labour collective conference at the *ZIL* automobile factory, Moscow, 06-12-1995.

146. Interview with Stepantsjikova, N.O. and Tatarnikova, S.N. at the MFP Research and Education Centre, Moscow, 13-11-1995.

147. Borisov, V.A. & Kozina, I.M. - "Ob izmenenii statusa rabochikh na predpriyatii", in: *Sotsiologicheskie issledovanija*, 21.

148. Interview with Chalyj, S.P. at the Moscow city Municipal Workers' Union, Moscow, 17-11-1995.

149. Rogova, G. - "Stanovlenie podlinnogo profsoyuznogo dvizhenija v Rossii", in *Mirovaia Ekonomika i Mezhhdunarodnye Otnoshenija*, Nr. 2 (1994), p. 50.

striving to restore to the people what had once been theirs, but that has been taken away from them.”<sup>150</sup> This identification with the victims of reform makes the unions hold less and less attraction for people that have the potential to gain from the new economic order. Although this has so far not led to a really massive decline in membership for the traditional unions, it is significant that it seems to be predominantly workers that have left the unions.<sup>151</sup> Employees and other groups of lower ranking white collar workers have experienced a greater loss of status in comparison with the soviet period, which makes them more inclined to subscribe the FNPR’s anti-reform stance. Again, this holds especially true for the often highly educated workers in the defence industry.

Summarising, labour relations in Russia have changed remarkably little thus far in the transition to a free market. The paternalistic system of labour relations inherited from the soviet past is still quite firmly in place, with the unions fulfilling their main role in the field of distribution of social wealth. As I hope I have made clear this lack of real change within the traditional trade union movement is not only due to the persistence of old norms and values. The fact that other social actors have considerable interests in the preservation of the unions’ former functions plays a major role here. Especially the refusal of the state to set up a new system of social security is of paramount importance. Distribution drives the unions possibly even more firmly into the hands of management than had been the case in soviet times. This close co-operation between unions and employers at the enterprise level provides a platform for intensive lobbying for state subsidies in order to survive the current economic crisis. Both union activities, distribution and lobbying, have however forced the traditional trade union movement increasingly into the still powerful anti-reform camp in society. It will depend upon the political developments whether this assures them of a role in the new Russia.

150. Interview with Dubova, T.N. at the A/O “*Torgovyj dom GUM*”, Moscow, 10-11-1995.

151. *Motivatsija chlenstva v profsoyuzakh* (Moskva, 1993), 6-7.

## Appendix I - interviews

Three categories of interviews can be distinguished. In the first place I have held some general interviews with scientists, journalists and trade union officials in order to obtain information of a general nature on the trade union movement in Russia. The other two categories hold interviews with trade union chairmen or vice-chairmen from specific unions within the FNPR/MFP. The first category comprises interviews at the level of Moscow city union committees, the second category comprises interviews at the trade union committees of individual enterprises.

### General interviews

1. Interview with Rudy Porter, head of the Moscow office of the *International Confederation of Trade Unions (ICFTU)*, Moscow, 14-09-1995
2. Interview with Yurova, G. at the *Agentstvo sotsial'no-trudovoi informatsii (ASTI)*, Moscow, 19-09-1995
3. Interview with Shubin, A. at the newspaper *Solidarnost'*, Moscow, 22-09-1995
4. Interview with Smirnov, P.G. at the Institute of Economics, Russian Academy of Sciences, Moscow, 26-09-1995
5. Interview with Buketov, K. at the newspaper *Solidarnost'*, Moscow, 06-10-1995
6. Interview with Stepantsjikova, N.O. and Tatarnikova, S.N. at the *Research and Education Centre of the Moscow Federation of Trade Unions / Uchebno-issledovatel'skij tsentr Moskovskoi federatsii profsoyuzov*, Moscow, 13-11-1995

### Interviews at moscow city union committees

7. Interview with chairman Krylova, T.I. and vice-chairman Kalinina, G.I. of the *Moscow city Committee of Trade Union of Workers in Commerce, Restaurants and Consumer Co-operatives / Moskovskij gorodskoi komitet profsoyuza rabotnikov trgovli, obshchestvennogo pitanija i potrebitel'skoi kooperatsii*, Moscow, 12-10-1995
8. Interview with vice-chairman Laptev, V.L. of the *Moscow city committee of the Trade Union of Construction Workers / Gorodskoi komitet profsoyuza rabotnikov stroitel'stva i promyshlennosti stroimaterialov*, Moscow, 16-11-1995

9. Interview with Chalyj, S.P. of the *Moscow city Committee of the Municipal Workers' Union / Gorodskoi Soviet Profsoyuza Munitsipal'nykh rabotnikov Moskvy*, Moscow, 17-11-1995

#### Interviews at enterprise union committees

10. Interview with vice-chairman Dubova, T.I. of the *United Committee of the Trade Union of Workers in Commerce, Restaurants and Consumer Co-operatives / Ob'edinennyj komitet profsoyuza rabotnikov trgovli, obshchestvennogo pitanija i potrebitel'skoi kooperatsii* at the A/O "Torgovyj Dom GUM", Moscow, 10-11-1995
11. Interview with Denisova, L. of the *United Committee of the Trade Union of Workers in Commerce, Restaurants and Consumer Co-operatives of the Western District / Ob'edinennyj komitet profsoyuza rabotnikov trgovli, obshchestvennogo pitanija i potrebitel'skoi kooperatsii Zapadnogo okruga* and vice-director of the TOO "Universam-Mozhaisk" at the *Universam "Mozhaisk"*, Moscow, 24-11-1995
12. Interview with chairman Matveev, V.V. of the *United Committee of the Trade Union of Construction Workers / Ob'edinennyj komitet profsoyuza rabotnikov stroitel'stva i promyshlennosti stroimaterialov* at the A/O "Mospromstroj-Mosstroimekhanizatsija 3", Moscow, 28-11-1995
13. Interview with chairman Kolechenkova, L.N. of the *Trade Union Committee of the Municipal Workers' Unions / Profsoyuznyj komitet Profsoyuza Munitsipal'nykh rabotnikov Moskvy* at the *Ob'edinenie MGP "Mosgorsvet"*, Moscow, 29-11-1995
14. Interview with Mazunov, A.B. of the *Trade Union Committee of the Trade Union of Defence Industry Workers / Profsoyuznyj komitet profsoyuza rabotnikov oboronnoi promyshlennosti* at the NPO "Geofizika", 01-12-1995

## Appendix II – Documentation on trade unions in Russia available at the IISH

Apart from most of the publications listed in the footnotes to the text, the International Institute of Social History has several other materials on trade unions and the trade union movement in contemporary Russia and the Soviet Union. Most of these materials have been gathered in Moscow in the course of Gijs Kessler's research. They comprise both published and unpublished materials. The main published materials are:

- Nevzerov, V.A. – *Nash profsoyuz* (s.l. 1991) Short history of *Rosprofbiznes*.  
Koval'skaia, Galina – *Svobodnye profsoyuzy Rossii* (Moskva 1993)  
*Rossiiskii profsoyuz lokomotivnykh brigad zheleznodorozhnikov. Rossiiskii komitet* (1993)  
*Zakonodatel'stvo o trudovom dogovore* (Moskva 1994)  
Departament truda i zaniatosti pravitel'stva Moskvy – *Rekomendatsii o poriadke razrabotki kollektivnykh dogovorov* (Moskva 1994)  
*Individual'nye trudovye spory* (Moskva 1994)  
Chaly, S.P. – *Deiatel'nost' profsoyuzov rossii v usloviakh reformirovania obschestva* (Moskva, 1994)  
Uchebno-issledovatel'skii tsentr MFP – *Nekotorye Voprosy regulirovaniia trudovykh omoshenij*, Vypusk 1 & 2 (Moskva, 1994)  
Uchebno-issledovatel'skii tsentr MFP – *Rassmotrenie individual'nykh trudovykh sporov* (Moskva, 1994)  
Uchebno-issledovatel'skii tsentr MFP – *Sotsial'noe partnerstvo* (Moskva, 1994)  
MFP – *Informatsionnyj material o dejatel'nosti Moskovskoi Federatsii Profsoyuzov s dekabnja 1990 goda po nojabr' 1995 goda* (Moskva, 1995)  
Akademija truda i sotsial'nykh omoshenij, Informatsionno-analiticheskij tsentr profsoyuzov – *Profsoyuzy i khozjajstvennaja demokratija* (Moskva, 1995)  
International Confederation of Free Trade Unions (ICFTU) & Institut Ekonomiki Rossijskoi Akademii Nauk – *Sovremennaja praktika zakliuchenija kollektivnykh dogovorov v Rossii (po rezul'tatam obsledovaniia predpriiatij v janvare 1995 g.)* (Moskva, 1995)  
International Confederation of Free Trade Unions (ICFTU) & Institut Ekonomiki Rossijskoi Akademii Nauk – *Polozhenie zhenshchin v reformiruemoj ekonomike: opyt Rossii* (Moskva, 1995)  
Kurennoj, A.M. – *Trudovoe pravo: na puti k rynku* (Moskva, 1995)

All of these publications are listed in the IISH library catalogue. Apart from that, the IISH has copies of trade union periodicals, mostly only one or two, but in some cases a more complete series. They can be found in the folder “Documentation on Russia, collected in 1995”, available at the counter of the IISH-library. It would be impossible to give a comprehensive list of these highly dispersed materials, but the following periodicals are represented:

- Rabochaja Politika*, nr 2 (May 1995)  
*Basta! Nezavisimaia gazeta rabochikh Belarusi* nrs 4 (Dec. 1993); 5 (winter-spring 1994); 6 (autumn 1994); 9 (1995)  
*SMOT– Informatsionny biulleten'*, nrs 20 (Sept.-Oct. 1981); 21 (Oct. 1981); 22 (Oct.-Nov. 1981); 23-24 (Nov. 1981); 28 (Dec. 1981-Jan. 1982); 98 (Dec. s.a.); 111 (Jan. 1994); 113 (Apr. 1994); 117 (Summer 1995)  
*SMOT – Sindikaty. Problemy profsoyuzov* (Smolensk 1993), nr 1  
Vserossiiskii professional'ny soyuz rabotnikov oboronnoi promyshlennosti – *PIK. Problemy, Informatsia, Konsul'tatsii* nrs 13, 14 (1993), 20 (1994)  
TsK nezavisimogo profsoyuzaz zheleznodorozhnikov i transportnykh stroitelei Rossii – *Informatsionny vestnik*, nrs 3 (July 1994) en 4 (Sept. 1994)

*Signal. Gazeta nezavisimogo profsoæza zheleznodorozhnikov i transportnykh stroitelei*, nr 1 (Aug. 1994)  
*Golos profsoyuzov. Gazeta profsoyuzov rabotnikov avtomobil'nogo i sel'skokhoziaistvennogo mashinostroenia Rossii*, nr 8 (41) – Sept. 1994  
*Ochnaia stavka*, nrs 2 (8) July 1994; 3 (9) Sept.-Oct. 1994  
*Vesti federatsii nezavisimyykh profsoyuzov Rossii*, nrs 9 (27) (Sept. 1994), 10 (28) (Oct. 1994), 11 (29) (Nov. 1994)  
*Novoe rabochee i profsoyuznoe dvizhenie* (Moskva, 1994) nr 3  
*Profsoyuznoe obozrenie. Ezhemesiachnoe informatsionno-analiticheskoe izdanie*, nrs 7, 11 & 12 (1994) and 1-3 (1995)  
*Delo. Vserossiiskaia gazeta sotsial'nogo partnerstva*, nr 37 (71) Sept. 1994; 45 (79) Nov. 1994; 35 (121), Sept. 1995; 36 (122), Sept. 1995.

A more complete series is available for:

*Solidarnost'. Gazeta professional'nykh soyuzov*, volume 1994 nrs 1 (74); 6 (79); 11 (84); 13 (86); 16 (89); 18 (91); 19 (92); 20 (93); 21 (94); 22 (95); 24 (97) and volume 1995 nrs 13 (110), 15 (112), 16 (113), 17 (114), 18 (115), 21 (118), 22 (119), plus *spetsvypusk*, 1995. Two-weekly magazine of the Moscow Federation of Trade Unions (MFP).

Furthermore, the IISH has a substantial collection of unpublished and internal documentation on Russian trade unions in the 1990s. These materials can be found in the folder "Collected Documentation Russia 1995", available at the counter of the IISH-library. They include whitebooks, information leaflets from several trade unions and affiliated institutions, posters, statutes of independent and traditional unions, some collective agreements, internal information bulletins, and more.

Communism in Russia. From Wikipedia, the free encyclopedia. Part of a series on. Communism. Brezhnev governed the era without economic reforms, which led to a national economic decline by the mid-1970s.[3] Yuri Andropov gained power in 1982 and tried to improve the economy by increasing management effectiveness but without making changes to the principles of a socialist economy. Andropov later died in 1984, fifteen months after gaining power.[4]. Konstantin Chernenko led the Soviet Union from 1984 until his death thirteen months later in 1985. The socialist revolution in Russia, conceived as a means of transition to the building of a communist society, led not to the annihilation of the state, but to its multiple reinforcement and expansion.[7]. YouTube Encyclopedic. 1/5. Neoliberalism or neo-liberalism is the 20th-century resurgence of 19th-century ideas associated with economic liberalism and free-market capitalism.:7 It is generally associated with policies of economic liberalization, including privatization, deregulation, globalization, free trade, austerity, and reductions in government spending in order to increase the role of the private sector in the economy and society; however, the defining features of neoliberalism in both thought and practice have been the GOV312L Unit 3: Authoritarian Developments in Russia and Mexico + Future prospects of Democracy in the world. STUDY. Flashcards. d). dealing with the "West": from defense to offense --initial defense against western democratization and then transition to supporting populist movements in the west to pressure established parties. e). Russia and global trends: from democratization to the spread of authoritarianism and populism - . (3) Importance of proximity to the "West". -economic crisis and market reform \*government is heavily involved with the economy to cement their political power --> government cuts spending which erodes patronage networks and strengthens the opposition. Today just a handful of countries remain under communist rule. Below is a timeline of notable events that shaped Communism's arc in history. Communist Leaders. 13. Communism as an ideology arose in the wake of the first Industrial Revolution when overworked, underpaid workers felt exploited and sought better representation in government. The Communist Manifesto, as laid out by Karl Marx and Friedrich Engels, called for a classless society ...read more. Cold War History. The United States, France, China, the Soviet Union, Cambodia, Laos and other countries would over time become ...read more. Loading; In Russia, efforts to build communism began after Tsar Nicholas II lost his power during the February Revolution, and ended with the dissolution of the USSR in 1991. The Provisional Government was established under the Social Democratic government; however, the Bolsheviks refused to accept the government and revolted in October 1917, taking control of Russia. Vladimir Lenin, their leader, rose to power and governed between 1917 and 1924. The Bolsheviks formed the Russian Soviet Federative Socialist