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Civil Society, Trade Unions and Post-Soviet Democratisation: Evidence from Russia and Ukraine

PAUL KUBICEK

CIVIL SOCIETY IS A DOMINANT THEME in post-communist politics. It was a prominent discourse in much of the anti-communist dissident literature, and in the past decade scores of works have been produced celebrating civil society's role both in bringing down communist regimes and in serving as a foundation for a new democratic order.¹ This work is often based on the Tocquevillian principle that civil society—defined as a social sphere distinct from the family, market and the state, and composed of independent, voluntary associations and networks of citizens—plays a central role in democratic consolidation by fostering values of citizenship, community and political participation among the population and by creating structures to prevent the emergence of authoritarian state power. Carothers notes: 'civil society is the connective tissue that transitional countries need to join the forms of democracy with their intended substance, to ensure that new democratic institutions and processes do not remain hollow boxes and empty rituals'.² Causal arguments about the strength or weakness of civil society can be invoked to explain the relative success (Poland) or failure (Russia) of democratic consolidation in a number of post-communist countries.

Whereas civil society is ubiquitous in academic and political discourse, trade unions are far less popular as subjects for analysis. This, however, is puzzling on several grounds. First, in all post-communist states trade unions are by far the largest organisations in civil society, with membership in the millions. Yet, for all the attention lavished on civil society in general, this sizeable component of civil society has not been given concerted attention. Second, trade unions and working-class movements historically have been identified as crucial forces for democracy.³ One would therefore think that their role in post-communist politics and in democratisation efforts would be worth examination. Third, given the twin demands of democratisation and marketisation in post-communist states and the position of unions as potentially important actors in both political and economic arenas, one would think they would be important players in the political economy of post-communist reform. Indeed, some in the immediate post-communist period did make mention of the need

to either convince, co-opt or even coerce unions in order to push forward economic reform.⁴

However, any hopes or fears associated with organised labour in the post-communist period never materialised, even in Poland, where Solidarity was *the* central political actor for many years. True, on occasion, as in Poland and Ukraine in 1993 and in Russia in 1998, worker mobilisation can generate a political crisis. But much of this worker radicalism has occurred outside the framework of trade unions, and, overall, unions' role has been nothing like one might have thought, given their previous role in helping bring down communist governments, their sheer size, and the socioeconomic disaster that has accompanied the move to the market. Unions' relative silence is thus a puzzle;⁵ they have been, to borrow from a Sherlock Holmes story, dogs that *should have* barked. This, of course, also explains their relative absence from much academic work. However, I would contend that workers' organisations should not be overlooked, for even dogs that do not (or perhaps cannot) bark may shed clues about what has transpired in the post-communist era.

This article will focus on trade unions in Russia and Ukraine, the two largest post-communist countries, where economic conditions have also been particularly dire and elites' commitment to democracy has been questionable at best. It has three modest aims. First, it will attempt to 'unpack' the notion of civil society and highlight why trade unions do not fit neatly into civil society as the term is often used. Second, it aims to briefly document and explain organised labour's marginalisation in these states. One important argument is that organised labour is weak in these states not only because of its past, subservient role, but also because economic reform in these states has hampered trade union development. Finally, what union weakness means in terms of democratisation will be discussed. A key notion guiding this article is that an examination of trade unions forces us to broaden our understanding of democracy to include how a distorted political economy belies claims about democracy based solely on the holding of competitive elections.

Trade unions and civil society: an uneasy relationship

It is worthwhile to subject some of the claims and assumptions surrounding the term 'civil society' to closer scrutiny. One issue is the relationship between civil society and democracy. While prevailing wisdom posits a positive relationship between the two, not all accept this as a given. Carothers notes that there is a certain 'romanticisation of civil society' by many in the West, insofar as it is viewed as 'town hall politics writ large' and composed of 'legions of well-mannered activists who play by the rules, settle conflicts peacefully, and do not break any windows'.⁶ In part, this is attributable to a mythologised conception of American democracy, but it is also a reflection of the fact that the visible face of civil society in Eastern Europe—in the leaders of Solidarity, Civic Forum, Sajudis and other liberally oriented, anti-communist groups—was democratic. These examples, however, miss the point that in certain cases—in which political participation precedes political institutionalisation, to use Huntington's terminology—a vibrant civil society can undermine democracy. The classic case is Weimar Germany, and in comparing Weimar with present-day Russia one set of scholars noted that democracy in Russia survives in part because civil

society is so *weak*.⁷ One might also note that groups in civil society need not be 'civil', and can include radical nationalists, fascists, communists or others that do 'break windows' or do not wholly embrace democratic or liberal values. The *quality*, not *quantity*, of civil society therefore is central to any debate.

Another problem, one perhaps less immediately obvious, revolves around the arguments of Madison that creep into the civil society literature. Madison famously maintained in *Federalist X* that pluralism was beneficial because it mitigated the pernicious effects of factions, since a multiplicity of groups would prevent any one faction from becoming a majority and create (in the modern political science lexicon) 'cross-cutting cleavages'.⁸ Competition among several groups—with no single group constituting a majority—would safeguard democracy and the rights of minorities. This pluralist assumption is implicit in the civil society literature, as the focus is on the benefits of general popular activism and organisation and not on the democratic credentials (or lack thereof) of any particular group. Put another way, much of the literature on civil society tends to make it an abstract notion and assume that its activities, *in toto* at least, are directed to the common good. Rarely is concerted attention given to the different components that comprise it, or the various and often antagonistic interests they espouse.

These digressions are important, because once one begins to move beyond civil society as a catch-phrase and discuss specific parts of civil society such as trade unions, one can see how trade unions may not fit neatly into many of the above arguments. One problem is that unions (and for that matter many other groups) are not entirely 'civic', if, as is often the case, 'civic' is taken to mean 'civic-minded' or being oriented towards positions that seek to benefit the polity or the citizenry as a whole. Unions are not universal organisations; they are particularistic.⁹ They must, first and foremost, serve the interests of their members. These may or may not coincide with the greater good, and it is this notion of 'interest' that is lacking or is downplayed in much of the discussion surrounding civil society.¹⁰ Moreover, one should also note that not all unions or union members will have similar interests. In part because of debates over the proper course of reform, there has been a splintering of the labour movement in most post-communist countries, in which some unions (usually the communist successor unions) have taken a more sceptical view of free market reforms and newer, 'non-traditional' unions have embraced some aspects of change and have tended to align with more liberal political parties. Thus, treating unions as an undifferentiated whole would be as mistaken as analysing civil society without paying attention to the particular features of its major components.

This discussion provides a link to another issue: the relationship between trade unions and democracy. Although unions have, of late, fallen into some disrepute, most analysts, taking a longer view, would posit a positive correlation between working-class mobilisation and democratisation. Workers, being the plurality, if not the majority, in most countries, see democracy as a means of empowering themselves, and working-class organisations and parties have pushed for democratisation and generally have been willing to play by democratic rules once democracy has been established. However, in post-communist conditions, given the communist heritage of the post-communist trade unions, one can wonder whether all unions in these countries are fully-fledged democratic organisations. For example, insofar as one of

their goals would be self-preservation, they may try to preserve elements of the old system and stifle the emergence of new organisations that would challenge their position. They may also continue to have ties with (reformed?) communist parties. Capturing this notion of unions' possible ambivalence towards democracy, one Russian labour sociologist gave his work on trade unions the title *Hope or Threat*.¹¹

More serious, however, is the problem unions may pose for democratic politicians interested in free market reforms. Insofar as unions may have the power and interest to undermine these reforms, they are the 'enemy', and indeed have been treated with suspicion by many post-communist leaders, including Leszek Balcerowicz in Poland, Vaclav Klaus in the Czech Republic and Boris El'tsin in Russia.¹² The contrast is all too evident. Civil society as a whole, with all its normative assumptions included, is lauded: unions are, to put it mildly, another matter, groups that need to be beaten or subdued if democratic consolidation and marketisation are to have a chance.¹³

Of course, this discussion points to a central tension between democracy and the market, one that can be overblown (e.g. several countries have weathered the storm of the 'dual transition') but one that nonetheless merits attention. At the risk of invoking a bit of Marxism, it is difficult to understand the pathologies of democratic transition in several states, notably Russia and Ukraine, without taking into account how marketisation and the resulting economic dislocation have affected political processes. Specifically, the issue hinges on the distribution of property, an issue that was absent in the earlier transitions to democracy in Southern Europe and Latin America and hence ignored as well in 'transitology'.¹⁴ However, this issue has been of central concern to workers and trade unions, and privatisation (or, as Russians are wont to say, *prikhvatizatsiya* (grabbing) has fundamentally altered the political economy of these states, upon which it may or may not be possible to build a democratic system. These considerations of political economy (e.g. property distribution, class relations, creation of a 'ruling class') take one far beyond both the purely 'electoral' understandings of democracy and the ground trod by most studies of 'civil society', and compel one to ask the more difficult, more value-laden, and hence more interesting questions of who rules and/or for whom policies are adopted.¹⁵

The point of this discussion is that one can profit by 'unpacking' the notion of civil society and looking more carefully at its constituent parts. Using civil society exclusively in some normative or Madisonian sense may obscure more than it reveals, and arguably may be only a chimera. Tangible groups and interests must be taken into account. The multifarious components within civil society will differ, and even trade unions themselves will not be homogeneous entities. However, once one accepts the need to subject the various parts of civil society to scrutiny, the consideration of trade unions becomes obvious, particularly when one takes into account the importance of political economy in post-communist transformation. It is to the cases of Russian and Ukrainian unions that we now turn.

Trade unions in Russia and Ukraine

The communist heritage

Before jumping ahead, it is worth briefly discussing trade unions during Soviet times, as today's unions are not built on a *tabula rasa*. By far the largest union confedera-

tions in both countries are the direct successors to the All-Union Central Committee of Trade Unions (VTsSPS) and the corresponding republic-level organisation in Ukraine. Post-Soviet unions continue to be shaped by this heritage. Unfortunately, however, their communist-era experience is not particularly auspicious for construction of a democratically oriented, powerful trade union movement.

The reasons for this are not hard to find.¹⁶ Despite the rhetoric of ‘dictatorship of the proletariat’ and de facto mandatory trade union membership (which made unions the largest organisations in the country), organised labour did not exercise a leading role in communist society. This was reserved exclusively for the vanguard of the working class, the Communist Party, and labour organisations, like all other groups in society, were subjugated to the party. In the particular case of unions, however, they were the lowest ranking members of a troika of party/director/union at individual enterprises, and were expected to play what many observers have called a ‘dual role’, although more properly one could say it was a ‘triple role’. One role was to serve the party as a ‘transmission belt’ from above to below and function, in Lenin’s formulation, as ‘schools of communism’. In this case priority would be on order, discipline and fulfilment of the plan. Their second role was as a subsidiary and ally of management, working in a paternalistic manner with directors to distribute social insurance funds and various work-related social benefits (daycare, subsidised vacations, apartments, recreation and cultural facilities) and lobbying ministries jointly with directors for more support for their branch or enterprise. Managers, it is worth noting, were members of the union as well (they qualified as ‘hired workers’) and in fact they exercised much power in the union. Workers were thus integrated into the system not only at the macro-level (e.g. loyalty to the Soviet state or the party) but they and their unions were also integrated into the enterprise, the *kollektiv*, and depended heavily upon management for their well-being.¹⁷ The third, and by far the least pronounced, role was to defend workers against arbitrary actions of managers, such as unjustified dismissals, violations of safety codes or capricious changes in work norms. While some have argued that labour shortages in the USSR gave workers some power at the shop-floor level,¹⁸ the fact is that the unions, as organisations, never enjoyed significant power at any level of Soviet society and did nothing to encourage autonomous worker mobilisation. They were ‘paper trade unions’.¹⁹ While one could maintain that there was some sort of ‘Soviet social contract’,²⁰ this ‘contract’ was built upon a bargain in which workers forfeited any right to independent political or social activity. The ultimate enforcement mechanism would also be the tanks of the party-state, as the workers who launched a strike in Novochoerkassk discovered in 1962.

Under Gorbachev there was an effort to reform industrial relations and the role of workers.²¹ In the 1987 law on state enterprises, workers’ councils (first created in 1983) were empowered to elect managers and given a role in the governance of the enterprise. At the same time Gorbachev attempted to increase the autonomy of enterprise directors by decentralising and introducing self-financing. The results of Gorbachev’s *perestroika* are rather well known: confusion, drops in production and the beginnings of ‘spontaneous privatisation’. Despite his arguably good intentions, Gorbachev’s reforms did not lead to worker empowerment, and in 1990 new laws stripped worker’s councils of many of their rights.

As the system moved toward its ultimate denouement, however, there was some autonomous mobilisation of workers from below. In July 1989 a wave of strikes among coal miners in Russia and Ukraine offered a stiff challenge to Gorbachev and the Soviet trade unions. This strike was the result of the failures of both the macro and enterprise level reforms to live up to the aspirations of the workers. It also was a repudiation of the existing trade unions, which were rejected by the workers as tools of management.²² These strikes, however, were not just a local phenomenon: they demanded (in addition to lower prices and more consumer goods) more political and economic reform. Some concessions were given to the miners, but the lasting legacy of this wave of strikes was the formation in autumn 1990 of an Independent Miners' Union (NPG), which would lead strikes again in 1991 in support of privatisation and for El'tsin in his battle with Gorbachev. While the NPG was the most visible new union in the twilight of the USSR, there were others (e.g. air traffic controllers, pilots, train drivers, dockworkers), and these associations posed a major challenge to both the Soviet trade unions and the party that stood behind them. With the collapse of the party in 1991 one might have hoped that these new, still small (most numbered only a few thousand members) trade unions, espousing the rhetoric of democracy and genuine worker representation, would help spearhead the creation of a new trade union association in the former Soviet Union.

Post-Soviet Russian trade unions

This however was not to be. While these unions still exist, the trade union movement, such as it is, is dominated by the Federation of Independent Trade Unions of Russia (FNPR), the successor body to the VTsSPS. While its membership has fallen from a self-declared 66 million in 1991 to 38 million 10 years later, its unions (43 branch and 89 territorial bodies) represent 95% of the unionised workers in Russia. It has also held onto property (sanatoria, health clinics, sports facilities, childrens' camps, apartments, offices) held by the VTsSPS which is valued at some \$6 billion and generates an annual income of \$300 million.²³ This property is, by the FNPR's own admission, crucial to keeping and attracting members, and it has been a major topic of dispute between the FNPR and its rivals.²⁴

While the FNPR has been successful in keeping the bulk of its resources, it has arguably been less successful in re-shaping itself into a genuine representative of the workers. True, the FNPR claims a vast number of members, but critics of the FNPR (and some within the FNPR) concede that membership for most is perfunctory, not a conscious choice of a worker but a result of inertia, habit or even perhaps threats to the worker. There is little doubt that the FNPR is not perceived in a favourable light, which raises additional questions about the motivations for union membership. Survey after survey reports that trade unions are not trusted by the public and are not seen as an effective institution.²⁵ The FNPR has also been unable—unwilling may be more accurate—to mobilise the bulk of its members to protest at economic conditions and policies that have been catastrophic to millions of workers.²⁶ Much of the FNPR's activity—in protests, lobbying and political campaigning—has been in concert with managers of enterprises and employers' organisations, and this can cast doubt on how far the unions have succeeded in becoming a voice of *workers*.²⁷ This behaviour is

reinforced by ties at the enterprise level, where managers are often still members of the unions and have the resources to co-opt or coerce union leaders. Thus what one sees in Russia is an immense but 'toothless and tame' organisation—one that is inherently conservative, one that cannot act autonomously and one that cannot mobilise its membership.²⁸

While some of these problems can be directly attributed to the FNPR's heritage and slack labour markets that inhibit worker mobilisation, difficulties also arise from the FNPR's troubled and often ambiguous relationship with the political authorities. In 1991 the FNPR declared its political independence, breaking from the Communist Party, but it quickly emerged as a critic of the El'tsin government. It lobbied together with enterprise directors for credits to industry, wage increases and provisions for 'insider privatisation' through buy-outs by managers and workers. Such moves helped undermine the 'shock therapy' reforms, but ultimately they brought little to workers, as real wages plunged and worker self-ownership was a chimera, undermined by the *prikhvatizatsiya* of the directors themselves. Empowered by these 'victories', the FNPR pushed further, openly declaring its support for the Supreme Soviet in the latter's stand-off with El'tsin and calling for mass action on behalf of the Khasbulatov-Rutskoi faction. When this failed to materialise and El'tsin prevailed with the help of Russian tanks, the FNPR was left extremely vulnerable. Although reports indicate that El'tsin considered banning the FNPR entirely, he backed away from this radical move, although it did remain a possibility.²⁹ Instead, he forced a leadership change of the FNPR and took the right of legislative initiative and control of social funds away from unions.³⁰ The unions, as well as other groups in Russian society, were clearly on the defensive as El'tsin began to concentrate power in his hands. A Social Accord was duly signed in 1994, and since then the FNPR has tried to avoid playing an explicitly political role. Mikhail Shmakov, the head of the FNPR, maintained that open confrontation with the regime would 'throw our trade unions onto the backwaters of public life' and would be a 'threat to the existence of the FNPR'.³¹ True, the FNPR has not been entirely silent, but its protests are restricted to purely economic demands, 'social partnership' remains its dominant discourse even as its ostensible 'partners' continually show bad faith to workers (i.e. the wage arrears crisis), and some speculate that its days of protest are held only to fend off complaints from local unions that the FNPR is not doing enough. Certainly, the FNPR has not been leading the most radical protests or demanding the resignation of the government, as miners did in 1998 when they by-passed all the unions and blockaded railways to draw attention to the fact that some workers had not been paid for over nine months.

The FNPR, fearing government action against it (e.g. nationalisation of its property) has been declawed. It has eschewed radicalism, forging electoral alignments with the Russian Union of Industrialists and Entrepreneurs in 1993 and 1995 and with Fatherland-All Russia (OVR) in 1999. These 'safe' choices, however, have not been very successful.³² For its part, the government found an ability to work with the FNPR, particularly under Prime Minister Viktor Chernomyrdin, formerly a leader in the industrialist lobby. At the same time, it began to distance itself from its erstwhile allies, the 'independents' such as the NPG, which were also hamstrung by a number of organisational problems. Though a presence in the mining and transport sectors,

they have not developed any new niches or greater organisational strength since 1991.³³ By 1998 the NPG had even come full circle, demanding the resignation of a President whom it had steadfastly supported scarcely a decade before and even named an honorary member.

Thus in Russia what has emerged is a strange and distorted 'social partnership', supported by tripartite commissions and other less formal forms of government-union interaction. While the unions can claim some victories, i.e. a fairly liberal law on trade unions, many are rather hollow. General and collective agreements have been routinely abrogated, as was witnessed most clearly in the case of the wage arrears crisis, which reached a peak in 1998 when over \$10 billion was owed to over 20 million workers.³⁴ Tripartite bodies have an insufficient legal basis, and they have become a 'disorganised sideshow', 'a ritual', 'only a device for letting off steam'.³⁵ The problems are many, but boil down to a couple of crucial points: 'partnership' is impossible given the inequality in power between the state and the unions, and the ability of workers to press their claims is severely hampered by fears of unemployment or loss of work-based benefits. The farce of Russian 'social partnership' was revealed most clearly in 2000, when the state, worried about debt payments, passed a 'unified social tax' that placed all social insurance monies under the exclusive authority of the Tax Ministry. Unions protested, but to no avail.

One interesting development has been the attempt to adopt a new Labour Code in Russia. A much-amended Soviet-era one has been in force, and in 1998 the government (with IMF support) put forward a new code that would have stripped the unions and workers of many of the rights they enjoyed, on paper at least, under Soviet law. All unions protested, the national tripartite commission refused to approve it, but the government went ahead and introduced its measure into parliament, where the unions managed in autumn 2000 to convince parliamentarians to block it. However, in spring 2001 the FNPR and the government agreed on a compromise version that passed a first reading in the Duma in July. While the bill does grant workers protections in a variety of areas (on issues such as vacations, overtime, mandatory collective agreements, although opponents argue that these protections are rather weak), it has generated controversy because some of its provisions could be harmful, even fatal, to the newer, smaller unions.³⁶ According to the proposal, employers would be obligated to negotiate only with the union representing the majority of workers (almost always an FNPR union), employers could also negotiate with 'other representatives of workers' (which could create an opening for employers to create their own 'pocket' unions), and the question of strikes would be determined by the entire work collective, not trade unions (the latter would take the potential bite out of the still-active 'independents'). This draft has bitterly divided the union movement, and ironically put communists and the erstwhile reformist, new unions on the same side. Many construe it as an assault by the government on freedom of association. As Anatolii Ivanov, a Duma member and vice-president of the non-FNPR All-Russian Confederation of Labour, asked a fellow Duma member from the FNPR, 'If you are free to organise but *de facto* the law will refuse to recognise you to negotiate with the employer, what kind of freedom is that?'.³⁷

In various ways, then, one can note how unions in Russia are constrained because of the political environment. In this, unions share much with other groups in civil

society. However, as noted, unions are important players in the economic arena as well. What can be said about unions in the new political economy of Russia?

Here we shall focus on perhaps the most fundamental reform in the post-Soviet period: privatisation. Over 80% of Russian workers work in the private (non-state) sphere, and, following Marx, one would expect the change in ownership would produce significant repercussions, including on trade unions and the general sphere of labour relations. While privatisation would no doubt present some new obstacles for unions, one might at minimum suspect that it would break the troika of state–director–union that had constrained autonomous union activity in the past, and that post-Soviet unions would begin to behave more like Western trade unions.

For the most part, however, this has not been the case, even as privatisation gave way to massive corruption and the swindling of workers.³⁸ Here it is worth noting how privatisation of large enterprises took place in Russia. The initial plan of Anatolii Chubais, the privatisation ‘tsar’, was to have open auctions. This was amended, under pressure from directors and unions, to allow the work collective (comprising both workers and management) to decide the form of privatisation, with one option to purchase 51% of the shares of their firms. This ‘insider privatisation’ was the choice of 73% of large Russian enterprises,³⁹ and it promised—in theory—to make genuine worker self-management a reality. Certainly, some excitement was generated by the prospect of true, legal ownership in the firm. However, as is well known, all did not work out as planned. Workers lacked information about their enterprises, generally deferred to management, and gradually began to sell their shares, as they did not receive any dividends, they needed money to make up for non-payment of wages, and they succumbed in some cases to coercion from management. The directors, with minimal outlay of capital, became the owners of the firms, and the workers, who were promised much, were left with nothing.⁴⁰

Since privatisation was rushed through and preceded restructuring, workers in the privatised Russian economy have suffered from low wages, wage delays, dismissals and periods of forced administrative leave. Union leaders, to be sure, lament the results of privatisation, but they have distanced themselves from the question of property. One leader of a non-FNPR union maintained that ‘questions of property, of ownership, these are not questions for trade unions, they have no bearing on labour relations’.⁴¹ The desire is for effective, competent ownership—ironically an echo of Chubais—but the unions themselves largely eschew any role in management of the enterprise. Instead, even in well-known cases of labour militancy such as the literal battles over ownership at Norilsk Nickel, the Kuznetsk Metallurgical Plant and the Vyborg Paper Mill, the workers have mobilised against managers and owners whom they view as incompetent and allied with a rival ownership group.⁴² Out of desperation, they are compelled to ‘sell’ their support at a very low price. In general, however, organised labour has stood on the sidelines when major questions of property or macroeconomic reforms are considered, thus belying claims about Russian ‘corporatism’ or ‘social partnership’.

Let us now turn to the effects of privatisation. One clear effect has been a decline in union membership. Overall, trade union membership has dropped by almost half, and has fallen more rapidly since large-scale privatisation was launched in 1993–94. In addition to workers who have retired or lost their jobs, there has certainly been

significant movement to new enterprises and jobs in the private sector, as traditional 'working-class' jobs have far less attraction than in the past. These new jobs—including those in banking, marketing, retail, petty trade and sweatshops—are almost entirely non-unionised, and many of them (estimates are about 10 million workers) are in small enterprises employing fewer than 50 workers.⁴³ Galina Strela of the Social-Economic Department of the FNPR acknowledged that the FNPR unions had made virtually no headway in this 'new economy', and Tat'yana Sosnina, head of the Union of Textile and Light Industry workers, conceded that it was 'pointless' to pursue unionisation in such enterprises, as work stability is low, employers are hostile, and workers themselves express little demand for unionisation.⁴⁴ Boris Golovkin, vice-chairman of the Nizhny Novgorod FNPR, observed: 'We have yet to create mechanisms to attract people from small, private, mainly service enterprises to the unions. This has to become a priority, but we will have to find some way of attracting these people in order to preserve our strength'.⁴⁵

In large industrial enterprises unionisation rates remain high—upwards of 80–90%, although again this may be more out of inertia than enthusiasm or confidence in the union. Unions continue to function where they did in Soviet times, and privatisation has not been accompanied by union busting *en masse*, although several leaders would note that some new non-state owners do display a hostile attitude toward trade unions and that new unions are difficult to form.⁴⁶ However, one does not see, as a rule, a significant change in the functions or actions of many trade unions. As before, much union activity is done in conjunction with management, and there has been shockingly little union-management antagonism in many sectors, even as conditions for workers have deteriorated. There is joint activity in both political alliances and in lobbying efforts toward the state to extract credits and subsidies for particular branches or enterprises, the latter commonplace in Soviet times too. This is true in the motor industry, the aviation industry, the military-industrial complex, electricity, metallurgy, coal mining, textiles and the budget sector (teachers, doctors etc.). Despite privatisation in many of these sectors, state orders, state protection from foreign competition or state investment is still desperately needed, and thus unions and directors lobby together. Moreover, in cases such as the Lomonosovsky Porcelain Factory in St Petersburg and the Krasnoe Sormovo plant in Nizhny Novgorod, workers have mobilised in support of existing management who are threatened with dismissal or replacement by new owners.⁴⁷ Some might explain this joint union-management action as a holdover from the collective mentality of Soviet times (*'eto nash zavod'*) or a residue of promises of worker self-ownership. However, it is not simply a cultural artifact. In many ways it makes sense, as the state must play a supportive role if many sectors are to survive and profitability means wages and jobs. Unions need not be adversarial toward management all the time. However, as Gordon argues, 'often joint action with the directors ends up with the factual loss of independence', as unions lose sight of workers' interests and become a tool of management, both in political lobbying and in ensuring discipline and worker acquiescence on the shop floor.⁴⁸

What this adds up to, of course, is that the unions have not substantially changed at the enterprise level, even in privatised companies. The party-state may be out of the enterprise, but all this has done is to leave unions subordinate 'partners' in a

bi-lateral relationship with management. The result, a product of the past heritage, desperate economic conditions and the new form of ownership, is union passivity and worker alienation from the unions. Surveys conducted among workers in eight sectors in summer 1997 are exceptionally telling. The results found that 33% of workers thought unions did not do anything, 18% credited them with supplying some social services, and fewer than 10% thought they defended workers interests on questions of wages, working conditions and resolution of work conflicts. On overall satisfaction, only 5% thought unions defended workers well, with more (12%) saying unions only supported directors. Lastly, when asked who defended their interests, the answers no one (54%), immediate bosses (24%) and directors of the enterprise (11%) ranked higher than trade unions (9%). Only coal miners were more likely to name unions (23%) than their bosses (16%) as their defenders.⁴⁹ This not only reinforces points about the lack of internal reform but demonstrates that privatisation has not fundamentally changed labour relations in Russia.

Of course it is unfair to make blanket statements. One can find examples of active unions, both 'non-traditional' ones and those in the FNPR. One such case of the latter would be the union at Tulachermet, a metallurgical factory in Tula, south of Moscow. Here the union has been involved in many long-standing battles with management over wages, working conditions and enterprise management. What stands out at this enterprise, as opposed to a neighbouring one where the union leader asserted that 'in principle there can be no conflict between the directors and the workers', is that Tulachermet has divested itself of many of its social resources (stadia, clinics, sanatoria) and that it was taken over by an 'outside' owner intent on cutting costs and not cosy with the existing trade union.⁵⁰ Notably, the 'non-traditional' unions also lack such social resources, and thus they do not play the passive role of the enterprise's social department. However, leaders of most of the existing unions have a corporate interest in maintaining this property and their services, for without them their position at the enterprise would be far less assured. The result, however, is that 'state paternalism' has been replaced by 'private paternalism', administered by unions in concert with management.⁵¹ Ironically, the future of the unions, therefore, will in large part depend upon whether management wants to sacrifice some profitability and pay for the social institutions of the 'collective' in order to preserve union dependence and docility. In the long run it might be more rational to continue to 'buy off' the union and let it have its social sphere. The result, as Gordon foresees it, will be not the disappearance of unions but the preservation of 'pseudo-unions' engaged exclusively in social service functions and unable and unwilling to press claims against management vigorously.⁵²

One additional consequence of the 'new economy' is worth mentioning: the breakdown in union solidarity. True, worker unity may have always been a bit of a myth, but the construction of a post-Soviet workers' movement is complicated by the emerging economic system. One sees this in numerous ways. Income inequality has markedly increased,⁵³ and many unions are in a competitive struggle over state funds. Additionally, some of the largest companies (Gazprom, Lukoil, Yukos, Norilsk Nickel) have their own company-based unions, and one can argue as well whether these structures are little more than creatures of management. Certainly, however, if these unions—which could easily form the vanguard of a workers' movement—are

bought off, occupied exclusively with narrow, enterprise-specific concerns, or form their own association outside the FNPR (which is rumoured to be under discussion), this will harm union solidarity.⁵⁴ Finally, one sees that worker activism itself is also more focused on more specific problems. Writing about the coal miners, Borisov finds that their earlier (1989–92) general societal demands have been replaced with concerns in a gradually narrowing perspective, from their branch, to their enterprise, to only those workers who are engaged in protest activity.⁵⁵ This is indicative of a more general decentralisation and fragmentation of organised labour, and it is a crucial point if one is interested in a worker or union *movement* and not just individual unions. In short, at best, ‘acting locally’ may become the norm, particularly as collective bargaining continues to be decentralised. However, the other half of the slogan—‘think globally’—may well be forgotten.

Post-Soviet Ukrainian trade unions

Ukrainian trade unions share many features with their Russian counterparts. It could hardly be otherwise. In addition to a common Soviet past, both sets of trade unions confront the problems of making a transition to a new system in conditions characterised by economic deprivation of workers, corruption and centralisation of presidential power. What stands out in the Ukrainian case, however, is the slower pace of economic reform, the greater union detachment from political questions and, until the end of 2000, the absence of such acute political crises and battles as have gripped Russia.

The Ukrainian Federation of Trade Unions (FPU), formed in 1990, is the dominant trade union body in the country. The successor to the Soviet-era unions, it unites 40 branch and 26 regional unions and in 2001 claimed 14.4 million members, down from 26 million at its creation. Current figures represent 94% of workers employed at enterprises with an FPU union and about 75% of the Ukrainian workforce, although these numbers are belied by some survey work showing significantly lower rates of unionisation.⁵⁶ Like the FNPR, the FPU inherited the Soviet-era union property, and until 2001 administered state social insurance funds, which critics charge gave it a coercive means to retain members.⁵⁷

The FPU, however, is beset by numerous troubles. The first is that of public confidence in trade unions, which has remained low throughout the post-Soviet period and is significantly lower than in Russia.⁵⁸ While one could note that Ukrainians’ confidence in virtually all institutions is low, unions rank among the bottom of various socio-political institutions. Second, the FPU has been beset by a series of internal schisms based on regional and branch interests. Many of these are over property, but also reflect resentment by some over the lack of reform in the central FPU structure. One regional leader lamented that ‘the FPU is the most conservative institution in society’.⁵⁹ In February 2000 many regional unions did not heed the FPU’s call for a national day of protest, which can be interpreted either as an act of rebellion, an indication that these unions are incapable of mobilising members, or that they are ‘reconciled to the lack of fulfilment of the government’s obligations’.⁶⁰ The FPU is worried about its organisational capacity, prompting some, including the leader of the once recalcitrant coalminers’ union, to say that without re-establishing

democratic centralism it will be impossible to strengthen the union movement.⁶¹ More serious, perhaps, are questions of breaking with the past, particularly dependence upon the employer. Employers still belong to many FPU unions, and some FPU leaders will concede that they have yet to really understand their role in the market economy, finding it more convenient to ally with employers. This, however, has been the refrain for many years, but one sees little reform impulse within the FPU. Again, as in Russia, common interests are in part facilitated by economic conditions. For many union leaders the FPU continues to have a dual role: protecting workers and boosting production and profitability.⁶² However, the FPU has been successful on neither front. Despite a decade of severe economic problems, the FPU has refrained from calling a national strike, and its occasional protests have not been as intense or sustained as those of non-FPU unions. Hence critics charge that it is a 'state union', loyal to the 'party of power'.

The FPU's limitations are highlighted by its forays into the political realm. It had limited success in its support for candidates in the 1994 parliamentary elections (24 of 242 won, including five union leaders) and in 1998 it conducted an ill-fated experiment, serving as the basis for the Ukrainian Workers' Party, which received a mere 0.79% of the vote.⁶³ Seven union leaders were elected in plurality districts or on other party lists, and they have allied with centrist, pro-presidential factions. Despite the government's inability to fulfil its promises mandated by the Constitution itself, FPU MPs and the organisation as a whole are not part of any opposition movement. The FPU was unable to settle on a candidate in the first round of the 1999 presidential election, but in the second round backed the incumbent, Leonid Kuchma, despite the fact that under his tutelage living standards had declined and corruption flourished. The FPU's silence during the protests in 2000–01 surrounding 'Kuchma-gate' was deafening, with some branch unions calling off strikes so as not to encourage 'radical elements' demanding the resignation of the president.⁶⁴ In a sense, the FPU is powerless to act, even if it wanted to. The FPU chief adviser on political questions explained: 'In order for us to enter into political action, we must see concrete results. If Stoyan (FPU head and an MP) joins the opposition, what will this bring? Who stands behind Stoyan? In truth, no one. People are passive, and thus opposition serves no purpose'.⁶⁵ As in Russia, one might also note that the FPU cannot afford to disturb the reigning authorities, for fear that they would move against the union, e.g. confiscating its property. One FPU leader conceded that 'unions still exist because they disturb no one'.⁶⁶

Like the FNPR, the FPU puts a high premium on social partnership, which it upholds as a model for state-employer-union relations. Tripartism exists at the local, regional and national level, the latter primarily through the National Committee for Social Partnership, established in 1993. Unfortunately, 'social partnership' has yielded Ukrainian workers very little: the average wage (about \$55 per month) is below the government-defined living minimum, the government has been unable to prevent illegal wage arrears, growth in GDP in 2000 did not lead to growth in real wages, and the FPU itself reports over 2 000 000 (!) cases of violations of laws on labour in 2000.⁶⁷ The most important provisions—jobs, wages, wage arrears—in yearly General Agreements are not fulfilled, yet the FPU leadership duly signs a new one for the following year. Obviously, the system is flawed: tripartite agreements are

not adequately funded, there is a lack of legal basis (from 1991 to 1999 there was no law on trade unions, employers or social partnership; the third is still lacking) and the state cannot be held accountable for its failures. Noting all these problems, one FPU official asked: 'What can we do? Strikes are not successful and only create instability. We could do absolutely nothing and suffer in silence, but this would be the end of us as well. Social partnership is the only path available to us in present circumstances'.⁶⁸ This is a perfect illustration of what one writer described as the 'Ukrainian way' of post-communist development: a 'bad peace' is preferable to a 'good war'.⁶⁹ The result, of course, is stagnation and continued popular alienation.

In addition to the FPU, there are some smaller, new trade unions in Ukraine. For the most part, they are in the same sectors—mining and transport—as in Russia. They have been plagued by many problems: lack of resources, pressure from management, the FPU and political authorities, and internal divisions. An initial attempt to establish a confederation in 1994–95 floundered on personal disputes, and the reconstituted Confederation of Free Ukrainian Trade Unions (KVPU) was established only in 1997. Its largest member by far is the NPG, which claims 52 000 members, but it counts dockers, train drivers and others among its ranks. Perhaps the biggest difference between these unions and their Russian counterparts is a diminished political role. The NPG was active in a major 1993 strikewave in eastern Ukraine, but this action yielded little, economically or politically, except, ironically, to local officials and mine directors, who did gain various subsidies for their industry.⁷⁰ Later efforts to forge political alliances with reform-oriented leaders floundered. The then NPG leader Oleksandr Mril' noted that Ukrainian parties were more inclined toward *diktat* than true cooperation, and the leader of the Independent Railway Unions contended that political parties wanted to play the role of pimp and transform the unions into 'prostitutes'.⁷¹ Not much has changed since then. Many trade union leaders insist that political parties have sold out to the authorities, and one put a colorful spin on the classic collective action problem:

If there was a likely concrete result, a light at the end of the tunnel, then political action would be possible. However, I see none, and I am afraid that it is dangerous to move forward in the dark ... Politics is a dirty business, and for us, now, it is a waste of time.⁷²

True, the NPG, though not the KVPU, has been active more recently, especially in the wake of 'Kuchmagate'. Again, however, political protests brought no results, and amid all the protests it was Viktor Yushchenko, the reform-oriented prime minister supported by the NPG, not Kuchma, who was forced from office. One NPG leader attributes their failures to enterprise managers, who bused their own, pro-Kuchma supporters to meetings, thereby hindering the movement to collect signatures for a referendum to remove the President.⁷³ This point is an important one, as it reveals a connection between trade unions, enterprise level politics and the weakness of democratic opposition in Ukraine. This puts another spin on recent death threats from Ukrainian special security forces against NPG leaders engaged in worker activism.⁷⁴

These unions could claim a small victory in 2000 when the Constitutional Court overturned sections of the 1999 Ukrainian law on trade unions. This law envisioned a registration process for unions as well as limitations on the number of nationally recognised unions in each sector of the economy. It thus shared some features with

the new Russian Labour Code but, thanks to the efforts of several MPs, the Human Rights Ombudsman and the ILO, these provisions were annulled.⁷⁵ However, a final revision of the law has yet to be passed, and some leaders would call this at best a Pyrrhic victory:

That decision was made for Europe, for you. It is just a piece of paper. In the localities, nothing has changed ... The year that the law was in force was a disaster for independent unions, and many have been forced to start from scratch. One might say that we have the best laws in the world, but in reality they mean nothing at all. For example, the law says you cannot fire a union leader. Yet this happens all the time. Anytime any individual begins to act too independently, he is served with some sort of lawsuit. It's illegal, of course, but it makes the work of independent trade unions next to impossible.⁷⁶

What of unions and the new political economy? First, one should realise that reform has proceeded much more slowly and with much more difficulty in Ukraine than in Russia. President Leonid Kravchuk (1991–94) put forth no genuine reform plan, and his successor's reform programmes have not lived up to their promises. Privatisation began in earnest in 1994–95, and by 1999 the private sector's share of GDP reached 55%, although large-scale privatisation had not progressed far since 1995.⁷⁷ A small number of shares—typically under 10% at each enterprise—were purchased through privatisation certificates distributed to the population, and many enterprises were privatised through renting mechanisms that were open to all sorts of corruption. Directors received privileges to buy shares on the market, but workers were unable to use similar privileges because hyperinflation had eaten away their savings. Despite their efforts, trade unions 'from the beginning of privatisation were pushed away from participation in the process'.⁷⁸ They had no legally defined role, and most decisions on the subject were made by state edict, with nominal participation of the work collective. In 2000–01 under Yushchenko the government did push through more privatisation programmes, but by this stage there was even less worker involvement and no privileges as in the past.

Unions have been hurt during this process. Employment in the industrial sectors of the economy has fallen precipitously, with many unions reporting a drop in membership of at least half. Many of these workers, of course, have found jobs in small, privatised companies. Unions, however, have not prospered in new enterprises in the private sector, and the leading 'union' in this sector functions more as a lobby for employers. Its leader claims that there is no conflict of interest between employers and workers, that in present circumstances workers are thankful to have any job, and that if there is exploitation by employers, well, '*C'est la vie*. That is the reality of the transition period'.⁷⁹ Other unions offer at least rhetorical support for workers. However, they are in little position to offer much real assistance. One union leader explained:

What can we do? People come to us. They say, 'Help us. We want our wages. They are not paying us'. [Metallurgical] companies request work, and then refuse to pay. So we go to the state, and the state says we have no money, and besides, it is not our business. We do not manage the firm. So we go to the managers, and they also say we have no money. Sure, we can take them to court, but this takes time and in the end, there is not a legal base in the country to enforce any decision. If the choice is between paying workers or bankruptcy, the

state is not going to force a big company to go out of business. In the end, the worker sees how powerless we are, and of course we suffer for this.⁸⁰

There are a variety of other problems, many similar to those in Russia. Most unions report pressure against them from the new owners, who try to run the enterprise as their own fiefdom and see little role for unions. While most organisations have withstood this pressure, they have not found a new, independent role in the enterprise. One union leader, aware of how Western unions work, bemoaned the fact that most Ukrainian unions were merely social welfare departments, handing out vacation vouchers or administering children's camps. His comments were surprisingly frank, and in sharp contrast to those leaders who have fought tooth and nail to control these provisions:

When I went to Austria, I talked to union leaders about cooperation and exchanges, and proposed to arrange sports competitions or send our children to each other's camps. They had no idea what I was talking about. 'We have nothing to do with such things', they said ... Then I saw the attention they gave to details of collective agreements, and how they were able to gain advantages for their workers. Now I wonder, what the hell are we doing with these children's camps when we can't even get decent wages for our workers?⁸¹

In addition, the drop-off in union membership has hampered the financial status of unions. The union can no longer support many enterprise union leaders. They have to work in the enterprise as well, which limits their time for union work as well as creating dependency upon the owners.⁸² One does not yet see in Ukraine the formation of 'company unions' at giant firms but, as in Russia, it is difficult to speak of union solidarity. The head of the Education and Science Workers' Union acknowledges that the formation of the state budget is a free-for-all, with unions attempting to 'pull the blanket over themselves' and win benefits for their own members.⁸³ Thus unions are limited in their ability to articulate a coherent strategy to deal with many of the common problems they face.

Trade unions and post-Soviet democratisation

Does it matter that trade unions are so enfeebled? What does this say about post-Soviet democratisation? How does consideration of trade unions add to our understanding of processes of democratisation and civil society?

As to the question of whether it matters or not, let us consider a counter-factual scenario. Let us suppose that unions were strong, trusted by their members, mobilising workers against abuses by management, lobbying the government on socioeconomic policies and courted by political parties. Instead of worker passivity in the face of severe economic crisis, one would see worker activism. If the government failed to live up to its promises to workers, it would be held accountable. Reform measures would have to take into account the position of organised labour. Winners of elections would be beholden to trade unions, not the oligarchs.

How different Russia and Ukraine would look! Of course, one could say this would be impossible—a social-democratic fantasy—and one might even add that 'if the unions were effective in defending their members, the regime would try to repress them'.⁸⁴ This, of course, speaks volumes about the existing political economy in these

states if labour activism is written off as impossible. However, the point is that a strong labour movement could have forced the government to pay more attention to social issues, implement a more 'civilised' form of privatisation, uphold the rule of law and take action on problems such as the wage arrears crisis. While some economic problems were unavoidable, governments did have choices. In the Russian case, reform was rushed through despite public opposition to many policies and the lack of institutional development to ensure its success. In Ukraine, from 1992 to 1994 reform was minimal, despite the cost of economic depression on living standards. 'Reform', when it came, lacked both a well-developed social dimension and basic standards of transparency, producing generally the same results as in Russia. Despite rhetoric of 'social partnership', labour was excluded from policy making. All of this could have been done differently.

Of course, while conceding that it *could* have been done differently, one could argue that strong organised labour would only have made matters worse. For example, following Aslund, one could contend that Russia's problem was that it abandoned 'shock therapy' too soon,⁸⁵ and that, given labour's opposition to El'tsin's programme, a strong labour movement would have made adoption of many 'necessary reforms' impossible. Moreover, one could argue that a strong labour movement would have precipitated greater political instability. Arguments of this type, of course, reveal the disjuncture between the rhetoric of the importance of civil society and the consideration of real players in civil society. Taken to its logical conclusion, one would argue that marketisation and democratisation were incompatible, and that only authoritarian systems could push through wide-ranging reforms. This, of course, lacks empirical support.⁸⁶ However, it is true that labour in the post-Soviet context, while not necessarily wholly anti-reform, would have wanted to preserve many elements of the old system, particularly social guarantees. This need not mean, though, that the demands of marketisation should have been or should be privileged over the demands of democratisation. If one takes democratisation seriously, one may be forced to abandon purely economic considerations of efficiency or sticking to a certain theoretically informed blueprint. While achieving social consensus on a reform programme would have been difficult, it need not have been impossible, particularly if international financial agencies were not beholden to neo-liberal dogmatism. The fact is, of course, that the reforms as adopted, with the political marginalisation of labour, served the interests of only a few, creating a political economy that is now the primary barrier to democratic consolidation.

Moreover, to argue that it could have been worse downplays precisely how bad it has been, both from the standpoint of economic consequences and democratic progress. Neither Russian nor Ukrainian 'democracy' is built upon popular participation, and 'social partnership' has been impossible given the fact that capital and labour do not meet as anything close to equals in current circumstances. In Russia what one has witnessed is a 'revolution from above' (backed by international financial institutions), designed to create a rudimentary bourgeois capitalist order, which has resulted in an 'oligarchic corporatism' or 'dependent democratisation'.⁸⁷ In Ukraine the residual authoritarian corporatist structures of the Soviet era have barely been transformed, although it is now clear that the state has become little more than a kleptocracy.⁸⁸ Strong groups in civil society such as trade unions could mitigate the

main problems in both states—overcentralisation of authority and lack of checks on both political and economic power. However, the state and the new economic elite have not respected them, and this attitude has been facilitated in many cases by the unions themselves, who refrain from taking an independent position on many important political and economic questions. In any event, to argue that democracy can be built by effectively excluding and undermining large groups in civil society flies in the face of most understandings of democracy. The imposition of the post-Soviet order in both Russia and Ukraine has thus been far removed from the recommendations of transitologists about social pacts. Again, given questions of economic reform and particularly property redistribution, it might have been difficult to forge such a pact, but the fact is that there was no real effort to do so. Post-Soviet politics is defined by *lack* of popular participation and input. Both Russia and Ukraine are examples par excellence of elite-dominated polities, and they show the limits of elites' ability to craft a democracy, given the marginalisation of popular representatives. Trade union weakness, far from serving any project of marketisation or democratisation, reveals the shallowness of the democratic transition, as formally democratic institutions are not supported by democratic practice. Christensen notes:

The problem of disjuncture between the formal rules of democracy and the actual power relations within a state is no more evident than in Russia, precisely because the struggles over property, control of resources, social (dis)empowerment, and state (non)responsiveness are so acute.⁸⁹

This point leads to consideration of the importance of political economy and its role in facilitating or constraining groups in civil society. The economic reforms in Russia and Ukraine, particularly privatisation, were adopted without popular input. They have resulted in a distorted economic system that further limits the ability of actors such as trade unions to exercise political or economic influence. Ostensibly designed to create a new bourgeoisie, these reforms have created an oligarchy. One does not have to be a Marxist to wonder how a system of political economy based upon an oligarchy—where wealth and power are highly concentrated and the masses lack meaningful political and economic resources—can be transformed into a consolidated, liberal democracy. The result is laced with irony: reforms designed to lay the groundwork for democracy were carried out in a very undemocratic manner for fears that some popular elements would undermine them. The results of these 'reforms', however, severely limit prospects for democratic consolidation. The window of opportunity for democratisation today may be less open than before the 'reforms' were launched, as witnessed by Ukrainian society's weakness in the face of growing authoritarianism and by popular support for, or at least acquiescence in, Putin's strong-arm tendencies in Russia.

In addition, one should note that marketisation has undermined prospects for union solidarity. If before, in both Russia and Ukraine, incipient independent labour unions attempted to mobilise support around general social demands, they now have a much narrower focus, often eschewing any political involvement. Each struggles to 'pull the blanket over itself' and the result is that the trade union movement as a whole is left in the cold. One might conclude that this is perfectly natural, but it again exposes the difference between civil society in the abstract—lauded in the fight against the

party-state—and interest associations, whose narrower, self-concerned pursuits may do little to counter a still heavy-handed state that often practices a divide and rule strategy or co-opts leaders of public associations. Divisions within civil society in turn facilitate the ability of the ruling elite to preserve itself and use its power to pursue its own narrow interest. The result, of course, is that society as a whole has scarcely benefited from years of ‘reform’.

The weakness of civil society and the rise of an oligarchy in both countries, bemoaned by would-be democratisers, is in part the very result of policies pursued by yesterday’s ‘reformers’. Despite rhetoric about the importance of civil society, one can see that many of the most basic policies in the post-Soviet period have helped undermine a key actor in civil society, trade unions. Now that civil society is severely impaired and vast inequalities in wealth have been created, it is difficult to envision how one moves the process of democratisation forward. Given the lack of any strong societal force—and here trade unions are one group that logically comes to mind—to dislodge the oligarchs and push for fundamental changes, it is hard to be sanguine about democratic prospects in either country.

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¹ A search in July 2001 in Wilson Social Science Abstracts produced 109 articles with the key words Eastern Europe or Russia and civil society since 1991.

² Thomas Carothers, *Aiding Democracy Abroad* (Washington DC, Carnegie Endowment for International Peace, 1999), p. 248.

³ David Collier & Ruth B. Collier, *Shaping the Political Arena: Critical Junctures, The Labor Movement, and Regime Dynamics in Latin America* (Princeton, Princeton University Press, 1991); and Dietrich Rueschemeyer, Evelyn Huber & John D. Stephens, *Capitalist Development and Democracy* (Chicago, University of Chicago Press, 1992).

⁴ In particular see Adam Przeworski, *Democracy and the Market* (Cambridge, Cambridge University Press, 1991), pp. 181–182.

⁵ Answers are provided, albeit in various ways, in Stephen Crowley, *Hot Coal, Cold Steel* (Ann Arbor, University of Michigan Press, 1997); Sarah Ashwin, *Anatomy of Patience* (Manchester, Manchester University Press, 1999); and Debra Javeline, *Protest and Passivity: How Russians Respond to Not Getting Paid* (Ann Arbor, University of Michigan Press, 2002)

⁶ Carothers, *Aiding Democracy*, p. 248.

⁷ Samuel Huntington, *Political Order in Changing Societies* (New Haven, Yale University Press, 1968); Stephen Hanson & Jeffrey Kopstein, ‘The Weimar/Russia Comparison’, *Post-Soviet Affairs*, 13, 3, 1997, pp. 252–283.

⁸ James Madison, ‘Federalist X’, *The Federalist Papers* (New York, Penguin, 1987 [first published 1788]).

⁹ Corporatist theory would argue that the larger unions are and the more inclusive their membership, the more unions will have to take responsibility for the general good of society. This may be true in the sense that one over-arching union federation will be more universal than particular branch or local unions, but it does not entirely remove the notion of a particular interest from that federation’s *raison d’être*.

¹⁰ See David Ost, ‘The Politics of Interest in Post-Communist Europe’, *Theory and Society*, 22, 4, 1993, pp. 453–485.

¹¹ Leonid Gordon, *Nadezhda ili ugroza* (Moscow, IMEMO, 1995).

¹² For basic points of view of Balcerowicz and Klaus see their interviews in Mario Blejer & Fabrizio Corricelli (eds), *The Making of Economic Reform in Eastern Europe* (Aldershot, Edward Elgar, 1995).

¹³ Such are the arguments made in Samuel Valenzuela, ‘Labor Movements in Transitions to Democracy: A Framework for Analysis’, *Comparative Politics*, 21, 4, July 1989, pp. 445–472; Przeworski, 1991; Stephan Haggard & Robert Kaufman, *The Political Economy of Democratic*

Transitions (Princeton, Princeton University Press, 1995); and Barbara Geddes, 'Challenging the Conventional Wisdom', in Larry Diamond & Marc Plattner (eds), *Economic Reform and Democracy* (Baltimore, Johns Hopkins University Press, 1995).

¹⁴ For an excellent critique of 'transitology' with an eye toward post-Soviet trade unions see Paul Christensen, *Russia's Workers in Transition* (DeKalb, Northern Illinois University Press, 1999), Chapter 1.

¹⁵ For discussion of 'electoral democracy' see Larry Diamond, 'Is the Third Wave Over?', *Journal of Democracy*, 7, 3, July 1996, pp. 20–37. For recent consideration of Ukraine in these terms see Paul Kubicek, 'The Limits of Electoral Democracy in Ukraine', *Democratization*, 8, 2, Summer 2001, pp. 117–139.

¹⁶ Numerous works give extensive coverage to trade unions and the working class under communism. See Arcadius Kahan & Blair Ruble (eds), *Industrial Labor in the USSR* (New York, Pergamon Press, 1979); Blair Ruble, *Soviet Trade Unions: Their Development in the 1970s* (Cambridge, Cambridge University Press, 1981); Walter Connor, *The Accidental Proletariat: Workers, Politics, and Crisis in Gorbachev's Russia* (Princeton, Princeton University Press, 1991); and Simon Clarke *et al.*, *What About the Workers? Workers and the Transition to Capitalism in Russia* (London, Verso, 1993), Chapter 4.

¹⁷ This explanation is integral to the analysis in Ashwin, *Anatomy of Patience*.

¹⁸ See Donald Filtzer, *Soviet Workers and De-Stalinization* (Cambridge, Cambridge University Press, 1992).

¹⁹ Ashwin, p. 27. Some have argued for the existence of corporatism in the USSR, but at best this was authoritarian 'state corporatism', and unions never had independence from political authorities. See Valerie Bunce & John Echols, 'Soviet Politics in the Brezhnev Era: Pluralism or Corporatism?', in Donald Kelley (ed), *Soviet Politics in the Brezhnev Era* (New York, Praeger, 1980).

²⁰ For a critical review of this thesis see Linda Cook, *The Soviet Social Contract and Why It Failed: Welfare Policy and Workers' Politics from Brezhnev to Yeltsin* (Cambridge, Harvard University Press, 1993).

²¹ The best works on this period are Connor, *The Accidental Proletariat*; Christensen, *Russia's Workers*; and David Mandel, *Rabotyagi: Perestroika and After Viewed from Below* (New York, Monthly Review Press, 1994).

²² Surveys reported by Clarke *et al.* indicate that in 1989 only 4% of workers respected their unions, and 1990 surveys in the strike regions of the Kuzbass and Donbass found small fractions of workers (14% and 6% respectively) satisfied with their unions. See Clarke *et al.*, *What About the Workers?*, pp. 94–95 and pp. 114–115. See also Vadim Borisov, *Zabastovki v ugol'noi promyshlennosti* (Moscow, Centre for Comparative Labour Studies, 2001).

²³ *Kommersant*, 24 May 2001, p. 2.

²⁴ Aleksandr Dolgorybin, head of FNPR organisational department, interview, Moscow, 24 May 2001. Surveys of workers also show many find these benefits important spheres of union activity. See V. Naumov & S. Tatarnikova, *Motivatsiya profsoyuznog o chlenstva* (Moscow, Moscow Federation of Trade Unions, 1996).

²⁵ The All-Russia Centre for the Study of Public Opinion (VTsIOM) routinely asks about confidence in trade unions. In September 2000 only 11.4% expressed complete confidence and 28.3% said they had some, which is actually a bit higher than most results from 1994 to 1999. Still, unions ranked second to last (above only political parties) of all social institutions in terms of public confidence, behind the militia, courts, government and lawyers! See *Monitoring obshchestvennogo mneniya*, 2000, 6(50), November–December.

²⁶ For lack of public involvement in protests see Javeline, *Protest and Passivity*. Many of the most visible—and effective—worker actions since 1993 have been spontaneous, occurring with no union oversight. See Petr Bizyukov, 'Alternativnye profsoyuzy na puti osvoeniya sotsial'nogo prostranstva', *Sotsiologicheskiye issledovaniya*, 2001, 5, pp. 34–36, and Borisov, *Zabastovki*.

²⁷ For links between FNPR and employers see Gordon, *Nadezhda*; Walter Connor, *Tattered Banners: Labor, Conflict, and Corporatism in Postcommunist Russia* (Boulder, Westview, 1996); and Linda Cook, *Labor and Liberalization* (New York, Twentieth Century Fund, 1997).

²⁸ *Nezavisimaya gazeta*, 28 April 1998, p. 3.

²⁹ David Mandel, 'Russia: The Labour Movement and Politics', *Labor Focus on Eastern Europe*, 52, Winter 1996, p. 46.

³⁰ These funds—health, social insurance, pension and employment—were to be placed in state custody and be managed 'with the participation of all-Russian associations of trade unions'. De facto, unions retained some control over these funds at the enterprise level until 2001 when a new, unified social tax went into effect.

³¹ Quoted in Mandel, 'Russia', pp. 58–59.

³² In 1993 the alliance garnered 0.93%, and 1.59% in 1995. OVR did better, and the FNPR now has 15 of its own in parliament, although only four were elected on the OVR ticket (three from the Communists, one from Unity and seven independents).

³³ Bizyukov, 'Al'ternativnye profsoyuzy'.

³⁴ Javeline, *Protest and Passivity*.

³⁵ Connor, *Tattered Banners*, pp. 166–167; Vadim Borisov, 'Sotsial'noe partnerstvo v Rossii: spetsifika ili podmena ponyatiy?', *Sotsiologicheskie issledovaniya*, 2001, 5, pp. 56–66 at p. 63; and interview with Valentin Presnyakov, main legal inspector for Union of Flying Staff, Moscow, 4 June 2001.

³⁶ *Kommersant*, 6 June 2001, p. 2; and *Nevavisimaya gazeta*, 7 June 2001, p. 3.

³⁷ Discussion of Ivanov with Andrei Isasev at Round Table at the ILO-co-sponsored Conference on Freedom of Association, Moscow, 27 May 2001.

³⁸ For a critical view see Chrystia Freeland, *Sale of the Century: Russia's Wild Ride from Communism to Capitalism* (New York, Crown, 2000).

³⁹ Christensen, *Russia's Workers*, p. 107.

⁴⁰ This story was repeated in over 40 interviews with union leaders in May–June 2001. Only in 1 sector—textiles, one of the least profitable ones—did the union official note that some firms continued to be owned by the workers.

⁴¹ Petr Sudakov, head of Nizhny Novgorod Sotsprof affiliate, interview, 8 June 2001.

⁴² See Christensen, *Russia's Workers*, pp. 137–138; B. I. Maksimov, 'Klasovyi konflikt na Vyborskom TBK: nablyudeniya i analiz', *Sotsiologicheskie issledovaniya*, 2001, 1, pp. 35–47; Mikhail Tarasenko, Chairman of the Union of Miners and Metallurgy Workers, interview, Moscow, 18 May 2001.

⁴³ 'Unions' such as the Union of Workers in Small and Medium Business were created at the initiative of the employers. They are designed primarily to defend the interests of the non-state sector as a whole. See interview with Aleksandr Popov, head of this union, in *Profsoyuzy i ekonomika*, 1999, 7, pp. 8–16.

⁴⁴ Interviews, Moscow, 16 and 29 May 2001.

⁴⁵ Interview, Nizhny Novgorod, 8 June 2001.

⁴⁶ Union-employer conflicts were a prominent theme at the aforementioned ILO Conference, May 2001.

⁴⁷ Interview with Oleg Lvov, international department of Sotsprof, Moscow, 23 May 2001.

⁴⁸ Gordon, *Nadezhda*, p. 46.

⁴⁹ Sample of 1442 workers, results published in Natalya Kovaleva, 'Konflikty, profsoyuzy, sotsial'naya zashchita: otsenki rabotnikov i rukovoditelei predpriyatiy', *Monitoring obshchestvennogo mneniya*, 1997, 5(31), September–October, pp. 26–32.

⁵⁰ For *Tulachermeta* the source is Vasili Filinov, head of union committee, interview, Tula, 31 May 2001. Other comment is by Evgenii Akimov, head of union committee at Tula Combine Factory, Tula, 1 June 2001.

⁵¹ Gordon, *Nadezhda*, p. 46. At the Gorky Automobile Factory (GAZ) the union leader bragged about numerous social services, including subsidised food, noting, however, that these 'amenities' did necessitate lower salaries. Interview, Nikolai Kamanev, vice-chairman of GAZ union, Nizhny Novgorod, 7 June 2001.

⁵² Gordon, *Nadezhda*, p. 46.

⁵³ By sector, in 2001, agricultural workers earned on average 863 rubles, cultural workers 1226, light industry 1252, ferrous metals 6163 and energy 7375 (28 RR = \$1) (*Izvestiya*, 24 May 2001, p. 1).

⁵⁴ For concerns on Lukoil see Andrei Mroost, 'Praktika raboty mezhdunarodnykh profsoyuznykh organizatsii i TNK', in *Profsoyuzy Moskvy v usloviyakh globalizatsii ekonomiki* (Moscow, Moscow Federation of Unions, 1999).

⁵⁵ Borisov, *Zabastovki*, pp. 389–390.

⁵⁶ A survey of over 6000 active workers, conducted in autumn 2000 by the National Statistics Office, found about 50% of manufacturing workers claiming union membership, 35% of service workers, and about 55% in the public sector. See Guy Standing & Laszlo Zsoldos, *Coping with Insecurity: The Ukrainian People's Security Survey* (Geneva, ILO, 2001), p. 26.

⁵⁷ From 1 October 2001 a tripartite board of unions, state officials and employers will administer five different social insurance funds. The FPU lobbied hard against this change.

⁵⁸ Surveys from 1994 to 2000 conducted by the Sociological Institute of the Academy of Sciences find, consistently, 12–15% claiming total or some confidence in unions. In contrast, 47–53% express little or no confidence in them. Lack of confidence in new trade unions is about the same (*Personal and Economic Safety: Measurement Problems and Solutions* (Kyiv, ILO, 2001), p. 49).

⁵⁹ Yaroslav Kendizor, head of the L'viv FPU unions, *Mist* (Kyiv), 11 July 1994, p. 13.

⁶⁰ Petr Shvets, 'Narushitelei konstitutsii—k otvetu', *Profsoyuzy* (Moscow), 2000, 5, p. 17.

⁶¹ Viktor Turmanev, *Profspilkovyi Visti*, 20 April 2001.

⁶² Svetlana Rodina, socio-economic bureau of Union of Agro-Industrial Complex, interview, Kyiv, 4 July 2001.

⁶³ D. Balan, 'Uchast' Federatsiyi profesiyskykh spilok Ukrainy u vyborchkykh kampaniyakh 1994 ta 1998 rokiv', in *Suchasnyi profspilkovyi rukh v Ukrainy* (Kyiv, Academy of Labour and Social Relations, 2000), pp. 26–40.

⁶⁴ 'Kuchmagate' refers to the alleged recordings of the president, Leonid Kuchma, engaging in all sorts of illegal activities, ranging from embezzlement and harassment of judges to ordering the disappearance of an opposition journalist, Georgii Gongadze, later found dead. These were made public in November 2000 but Kuchma squashed a full investigation into the matter.

⁶⁵ Mykola Dvirnyi, interview, Kyiv, 11 July 2001.

⁶⁶ Yuri Krivenko, head of L'viv Auto Transport and Road Workers, *Profspilkovyi visti*, 6 April 2001, p. 2.

⁶⁷ *Profspilkovyi visti*, 20 April 2001, p. 1, and 8 June 2001, p. 1.

⁶⁸ Serhei Kondryuk, expert on protection of workers' economic interests, interview, Kyiv, 11 July 2001.

⁶⁹ Evgen Golovakha, 'Suchasnapolitychna sytuatsiya y perspektyva derzhavno-politychnoho ta ekonomichnoho rozvytku Ukrainy', *Politychny portret Ukrainy*, 1993, 4, p. 5.

⁷⁰ Most were the same ones that they had been pressing for prior to the strike, and many speculate that they encouraged the strike to make fulfilment of their demands more likely. See Borisov, *Zabastovki*, 2001, Chapter 4; and Rick Simon, *Labour and Political Transformation in Russia and Ukraine* (Aldershot, Ashgate, 2000), pp. 150–159.

⁷¹ *Mist* (Kyiv), 16 May 1994; and Semen Karikov, interview, Kyiv, 24 July 1994.

⁷² Vyacheslav Brudovsky, vice-chairman of Volyn regional branch of 'Capital-Regions', interview, Kyiv, 8 July 2001.

⁷³ Nikolai Mitrov, president of NPG at Dobropoleugol, Donetsk region, interview, Kyiv, 8 July 2001.

⁷⁴ Mikhail Volynets, President of NPG, *Aspekt* (Kyiv), 2001, 7, July, p. 2.

⁷⁵ Vasyl Kostrytsya, ILO representative in Kyiv, interview, 5 July 2001.

⁷⁶ Brudovsky, interview.

⁷⁷ European Bank for Reconstruction and Development (EBRD), *Transition Report 2000* (London, EBRD, 2000).

⁷⁸ Inna Styrnyk, 'Profspilky ta pryvatizatsiya', in *Suchasnyi profspilkovyi rukh*, p. 184.

⁷⁹ Vladimir Bondarenko, President of Union of Workers in Innovative and Small Businesses, interview, Kyiv, 10 July 2001.

⁸⁰ Vasil Yan'shyn, chairman of Construction Workers Union, interview, Kyiv, 9 July 2001.

⁸¹ *Ibid.*

⁸² Vasyl Levchenko, vice-chairman of Union of Machine and Instrument-Building Workers, interview, Kyiv, 13 July 2001. He estimates that this is the case in over half of the enterprises in his sector.

⁸³ Leonid Sachkov, interview, Kyiv, 6 July 2001.

⁸⁴ Mandel, 'Russia', p. 59.

⁸⁵ Anders Aslund, 'Lessons of the First Four Years of Systematic Change in Eastern Europe', *Journal of Comparative Economics*, 19, 1994, pp. 22–38.

⁸⁶ In particular see Haggard & Kaufman, *The Political Economy*; and Geddes, 'Challenging the Conventional Wisdom'.

⁸⁷ Sergei P. Peregudov, *Gruppy interesov i Rossiiskoe gosudarstvo* (Moscow, Editorial URSS, 1999); and Simon, *Labour and Political Transformation*.

⁸⁸ Paul Kubicek, *Unbroken Ties: The State, Interest Associations, and Corporatism in Post-Soviet Ukraine* (Ann Arbor, University of Michigan Press, 2000).

⁸⁹ Christensen, *Russia's Workers*, p. 6.