COPING STRATEGIES AND WORKING CLASS FORMATION IN POST-SOVIET UKRAINE: A CASE OF BILA TSERKVA TIRE FACTORY

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Abstract

The way households secure their subsistence apart from wages and social security (household strategies, strategies of survival, coping strategies) has been substantially explored in relation to post-Soviet countries, especially Russia, and to a lesser extent, Ukraine. Common deficiency of these inquiries is that they ignore or pay too little attention to political-economic role of coping strategies in working class formation. In this study, I analyze coping strategies in post-Soviet Ukraine basing on my ethnographic field-work at Rosava tire factory (Bila Tserkva) and uncover mechanisms by which these practices enter class formation on the levels of relations of productions, ways of life, cultural dispositions and social organization. My theoretical framework comprises classical Marxist notions of class, over-exploitation, accumulation of capital, and mode of production, complemented by Claude Meillasoux's insight about the articulation of domestic mode of production with the dominant capitalist mode of production and Ira Katznelson's theorization of the levels of class formation. My analysis shows that 1) coping strategies do not represent tactics of resistance and workers' agency, they are rather structurally determined and conducive to 2) over-exploitation of workers by capital, and therefore not antagonistic to the interests of the capitalist class; 3) they are associated with certain forms of ideology, such as religiosity, conspiracy theories, xenophobia and identification with labor process and 4) have negative impact on class struggle in a number of ways.

Keywords: *coping strategies, class formation, over-exploitation, domestic mode of production, Ukraine*

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Contrary to copyright metaphysics, only mistakes express exclusively my personality in this research. But among other textual and incarnated contributors, I think some should be mentioned expressly. First, my supervisors. Jacob Rigi led me through conceptual drag nets designed to grasp and, which is the point, to *aufheben* mechanics of capitalism. Don Kalb showed me how an anthropologist can work with various scales of analysis and helped me to see in my research more than I could myself. I hope that from discussions with Jana Tsoneva I succeeded in expropriating at least a bit of her conceptual wit and brilliance of language. Without Thomas Rooney this text would be barely readable. Natalia was able to give the harshest critique and the greatest encouragement. People whom by the cruelty of academic habit I should call research subjects could have written a much better text: Valeriy and Tetiana.

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Introduction

Above the gatehouse of the second tire factory in Bila Tserkva, there is a sign of the private joint-stock company Rosava that owns the works (Figure 1). The sign was designed by Valentyna, one of my interviewees, a planning engineer at the factory, and it represents a surrealist landscape where three tires are rolling towards a church through a field of ripe wheat. As she explained, it should represent the industrial enterprise that arose on the lands of a former plant breeding station and soon doubled the city's population (a church stands for the city Bila Tserkva, which means 'a white church').

Figure 1. The sign of Rosava tire factory

But this symbolic reading is not what makes the sign interesting. If we leave aside ideological conventions and trace what the picture directs to, if we go beyond symbolic and

consider the indexical layer of meaning (according to C. S. Peirce), we will see an entirely different dimension. Then we can unfold all the social implications of and pay attention to materialist and contextual role of each element depicted on the sign, as it directs to the stories of Valentyna's colleagues. The church refers to the story of a worker who was forced to beg under its gates while his enterprise was shut down. It is also an index of religiosity that resurged among workers in times of crisis, together with ethnic and religious hatred and weird conspiracy theories. There is also a story of tires, rubber goods and other payments in kind that where obtained legally or illegally from the works to compensate for low or absent wages. A wheat field reveals the story of land that consumed workers' labor time after exploitation in the workplace and provided them with means of reproducing their labor power.

This sign, by its visually and politically unconscious meanings, leads us into a wide range of practices by which members of households secure their existence when wages and social security benefits do not allow for the full reproduction of their human energy. Social significance of these practices became vital for most of the post-Soviet countries where market capitalism lead to economic downturn.

In Ukraine, an economic reform plan was developed under the guidance of World Bank and IMF in the beginning of 1994. The program 'On the Way of Radical Economic Reforms' was approved by the parliament in November (Kasianov 2008, 157). International financial organizations promised a $5.5 bln loan in exchange for Washington consensus measures. It was believed that with financial stabilization, low inflation, price liberalization, privatization and low budget deficit Ukrainian economy would gain 6-7% growth of GDP by 1996. Ukraine attained budgetary discipline: next year budget deficit was 6.5%, lower than demanded by IMF, and

Inflation was restrained (Zon 2000, 54). The reality was a steadily falling GDP, stagnation of wages and a growing snowball of wage arrears. Wage arrears reached their climax in 1999 for Ukraine in general (6518.6 mln hrn) and in 2000 for Kyiv region (224.4 mln hrn). According to Gryshyna, increase in wage arrears began in 1994 and was connected to financial stabilization. Since then, wage arrears grew four times from 575 mln hrn (fourth quarter 1995) to 6462 mln hrn (end of 1999) (Gryshyna 13). For firms wage arrears were means of tax evasion and getting subsidies from the state. As a result, share of wages fell significantly in the structure of household incomes. In order to secure reproduction of their human energy, people started relying on other resources apart from wages: plots of lands, dachas, market activities, stealing, subsidiary and informal employment, mutual aid and networking.

In sociological and anthropological discourse, these practices are described as household strategies, strategies of survival or coping strategies. This notion gained prominence in social sciences in the 1970s and then resurged in the 1990s (for historical and conceptual analysis of this concept, see Wallace 2002). Inquiries into coping strategies in the face of shock therapy where performed in Russia from the very start of the reforms (Burawoy, Krotov and Lytkina 2000) and proceeded throughout nineties and 2000s (Mizguireva 2001; Clarke 1999, 2002). These and other accounts made on the material of other post-Sovet states (Ries 2009; Nazpary 2001) are important in methodological aspect to the extent that the situation in Ukraine bears similarities with other post-Soviet states. The existing anthropological inquiries into the coping strategies of Ukrainian workers dealt with identity issues or did not touch the problem of class formation (Walker 1998; Grushetsky and Kharchenko 2009; Round, Williams and Rodgers 2008; 2010). The literature on class structure and dynamics in Ukraine provides certain data and analysis but is

theoretically impoverished and eclectic (Simonchuk 2007; 2010; 2011; 2011b).

A common flaw of the existing literature on coping strategies is that it does not problematize political-economic and social role of coping strategies in relation to class issue. However, there exists a paradoxical situation of a laborer who is not totally divorced from the means to reproduce her labor power but whose dependence upon capital is overwhelming. Contrary to a conventional linear and teleological narrative of working class formation, introduction of market capitalism in Ukraine did not produce either systematic dispossession of laborer from means of subsistence, or formation and purification of working class consciousness. This problematic situation begs the following question, which I raise in my research: 'What role do coping strategies play in working class formation under the conditions of neoliberal capitalism in Ukraine?'.

In order to answer this research question, I will analyze the ethnographic material of coping strategies in Post-Soviet Ukraine and uncover the mechanisms by which these practices enter class formation on the levels of relations of productions, ways of life, cultural dispositions and social organization. Theoretical framework which I will use in achieving this goal comprises classical Marxist notions of class, over-exploitation, accumulation of capital, and mode of production, complemented by Claude Meillasoux's (1986) insight about the articulation of domestic mode of production with the dominant capitalist mode of production and Ira Katznelson's (1986) theorization of the levels of class formation.

Unpacking the main research question, I set forth and explore a set of subsidiary questions: 1) What are the categories of workers' economic resources beyond wages (coping strategies)? 2) On what material and cultural assets are these coping strategies based? 3) To what

extent do they embody workers' agency or, on the contrary, are structurally determined? 4) How do workers coping strategies relate to their exploitation based on wage labor? 4) How do coping strategies influence workers cultural dispositions? 4) How do coping strategies relate to workers' class struggle?

This **site** where I obtained the ethnographic material relating to workers' coping strategies is a tire production enterprise in Bila Tserkva, near the capital city Kyiv, now *Rosava PJSC*. This is the biggest Ukrainian tire producing factory present on international export markets. Bila Tserkva Tire Works was first launched in 1972, then restructured after 1991 and privatized in 1998. During late 1990s and early 2000s employees of this company suffered from prolonged wage arrears and factory shutdowns that occasionally led to protests and strikes. In the months when workers and their families did not receive wages they relied on a number of ways to procure means of subsistence, including from non-market and illegal sources.

The **methodology** of the research is participant observation, informal and semi-structured interviews, and work with workers' private archives. I performed the field work from April 5, 2013 to April 27, 2013 in the city of Bila Tserkva (Kyiv region, Ukraine), in the residential area that was built for the workers of Rosava tire works. I lived with a family of the former factory workers who had been employed there from the very launching. They were my key informants and the primary source of contacts. Through familial relations and networks of colleagues and acquaintances I was introduced to the second group of my informants, who in their turn referred me to their colleagues. Some of the informants were met on the street, on their way from the factory. Apart from interviews and informal talks about the personal experience of the informants, I collected more life stories recounted by my immediate informants about their

acquaintances and relatives.

On the whole, I made a list of 51 contacts of potential interviewees or people whose stories I learned from my actual informants. Out of these, I could conduct 15 semi-structured interviews. I also could get second hand information relevant to my study about other 19 contacts. The rest 20 contacts were either unavailable (because the agricultural season had by than started and many people were off to their dachas) or refused to talk. I also had a guided tour, provided by my key informant, around the industrial area of the factory and the residential area designed for its workers where I could take pictures. In order to obtain objective data about the amount of wages and wage arrears, I asked for pay slips from two of my informants who happen to keep them.

I see the **contribution** of the present research in three domains. First, there was no comprehensive political-economic analysis of coping strategies of Ukrainian workers after 1991 and I give general outline of it. Second, there was no questioning of the role of coping strategies of workers in working class formation and working class struggle in Post-Soviet Ukraine. I also contribute to the debates around structure/agency in relation to household coping strategies. Third, similar analysis of coping strategies or informal economy in connection to wage decrease and arrears in other Post-Soviet countries lack explanation in terms of strategies of capital accumulation and exploitation of labor.

In Chapter 1 I will present a conceptual and theoretical toolkit which I will use in the analysis of coping strategies and their role in class formation. My theoretical framework is based on Marx's theory of wage labor exploitation as a source of surplus value and Meillassoux's ideas

about over-exploitation of labor based on co-existence and subordination of different modes of production within a capitalist social formation. In Chapter 2 I will provide a deeper discussion of different approaches to the problem of coping strategies in post-Soviet countries and give my take on this concept and classify different coping strategies. In Chapter 3, dedicated to the analysis of Ethnographic material I will give a systematic account and analysis of social conditions and coping strategies of the employees of the tire works on the basis of my field-work, relate them to the process of class formation and show their role in process of capital accumulation. The fourth chapter focuses on ideological forms of worker's consciousness and the episodes of class conflict. In the Conclusion I will summarize the results of my research and link it to broader theoretical issues.

Chapter 1

Theoretical Framework and Conceptual Toolkit

The main theoretical challenge in approaching my topic is to define coping strategies in relation to capitalist economy. This relation implies using concepts of mode of production, capital accumulation and over-exploitation. The notion of class formation is defined in accordance with these concepts and through them is related to a specified notion of coping strategies.

I define coping strategies of the working class as the ways of obtaining goods to reproduce human energy (including labor power) which are alternative to official direct wages and state social assistance (indirect wages). The human energy is the totality of energy gained by consuming food and it includes labor power as that part of human energy which has exchange value (Meillassoux 1986:50). For my purposes, that is political economical analysis of coping strategies in relation to class formation, it would be irrelevant to use the concepts of informal economy or informal practices (e.g. (Mizguireva 2001; Clement 2003). These concepts refer to legal and political legitimation of practices which is of secondary importance for their political-economic role.

I do not embrace fully the notion of classes as, according to Lenin's famous formulation, 'large groups of people differing from each other by the place they occupy in a historically determined system of social production...' (Lenin 1999 [1919]). In fact, more faithful to Marx's initial intention (Marx 1959 [1894]) is the definition of class positions as 'valencies' in the 'formula of the relations of production' (Sobutsky 2012, 29). Thus I avoid essentialization of those positions and their identification with circumscribed groups of people, as classes are not

necessarily 'imagined communities' in the sense of Benedict Anderson (2006). To give an example of complexity of class determinations in post-Soviet Ukraine: 'To which group of people does an ex-member of a collective farm belong, if he leases out his land share to the former head of the farm (thus receiving *rent*), is employed at a neighboring process plant (thus receiving *wages*), grows something on his little plot of land to sell (thus receiving *income*), and puts his savings in a bank (thus receiving *interest*)?' (Sobutsky 2012, 27). Similarly 'impure' class positioning applies to my case of workers relying partially on coping strategies implying market activities. Therefore, I need more nuanced and multi-faceted theory to describe the complex reality of Post-Soviet class formation which would, nevertheless, be grounded in objective economic interests of the agents. Most relevant to my task is the approach elaborated by Eric Olin Wright (1985). Aware of the critique Kalb makes of Wright's theory (Kalb 2005, 113), I use the notion of contradictory class locations not as a dogmatic formula to calculate cultural and ideological priorities on the basis of economic determinations but as an analytical tool to understand interrelations of multiple factors involved in forming power-relations, economic dependencies and group loyalties.

I cannot agree with authors of the major study of coping strategies in post-Soviet Ukraine who use texts of de Certeau (1984) and Lefebvre to show that the copings strategies are in fact 'tactics' and places of resistance (Round, Williams, and Rodgers 2010, 1199, discussed in detail in the next chapter).

I argue that this theoretical approach is wrong and it distorts the way coping strategies function in neo-liberal capitalist state. I contend that they are not resistance tactics of the marginalized populations, not the way to evade the order imposed by the powerful and 'make use

of the strong' (de Certeau 1984, XV). On the contrary, it is precisely in the interests of the neo-liberal state to transfer the burden of reproduction of the labor power and sustaining of the workers' families from capitalists to the workers and their families themselves by providing them this alternative means of subsistence (a beautiful formula applies: 'Where the state withdrew ... potato grew' [Wegren, cited in Ries 2009]). Initially, the notion of household, coping or survival strategies connoted some agency and implied calculation on the part of those who were forced to recourse to them (Wallace 2002, 278). Now, in my usage the agencial connotations of a 'strategy' refers rather to the dominant class who takes advantage of them (and here I remain faithful to de Certeau's terminology). Zizek is correct when he criticizes Foucauldian understanding of resistance:

> The only way out of this dilemma is to abandon the entire paradigm of 'resistance to a dispositif': the idea that, while a dispositif determines the network of the Self's activity, it simultaneously opens up a space for the subject's 'resistance', for its (partial and marginal) undermining and displacement of the dispositif itself. The task of emancipatory politics lies elsewhere: not in elaborating a proliferation of strategies of 'resisting' the dominant dispositif from marginal subjective positions, but in thinking about the modalities of a possible radical rupture in the dominant dispositif itself. In all the talk about 'sites of resistance' we tend to forget that, difficult as this is to imagine today, from time to time, the very dispositifs we resist are themselves subject to change. (Zizek 2012:106-107).

There is no point in distinguishing state's strategies and worker's coping tactics as the latter themselves are part of state's and capital's strategy of accumulation. Moreover, de Certeau's celebration of inventive practices of everyday life is in perfect consonance with the 'new spirit of Capitalism' that prompts everyone to be flexible and entrepreneurial (Boltanski and Chiapello 2005). Therefore, I think the better account of the role of coping strategies of the working class can be given in the framework of a traditional Marxist analysis of the capital accumulation,

reproduction of labor power, uneven development and over-exploitation, with some corrections that relate to the co-existence of different modes of production under the capitalist social formation and continuing importance of accumulation through dispossession.

Coping strategies partially belong to the non-capitalist economy (not based on value). The strategies of household agriculture production, reciprocity relations and illegal activities clearly belong to the extra-market and non-capitalist activities. Household production, to the extent that it is not intended for sale and is consumed by the producers inside household, do not produce commodities and do not participate in the market exchange. This particular type of coping strategy constitute in itself a specific mode of production based on a domestic community (Meillassoux 1986:XIII). Network based reciprocity is by definition a non-market and personal form of exchange (Nazpary 2001:64). Services rendered and products exchanged within this strategy do not take part in capitalist relations of production. Stealing is evidently an extra-capitalist activity, exempting products from the circulation on the market as commodities (although they can be reintroduced again to the market: I discuss this in Chapter 5).

One of the crucial questions for me is to relate coping strategies, to the extent that they have non-capitalist character, to the capitalist economy (Smith and Stenning 2006 also acknowledge importance of this issue in relation to coping strategies in post-Soviet countries). Constructing this relation involves concepts of the mode of production and capital accumulation. Capitalist mode of production is undoubtedly hegemonic in contemporary world but it does not mean that it integrates all human activities, including all activities producing use values. There exist other modes of production under the sway of capitalist mode of production which can be survivals of the former mode of production, co-existent modes of production or emerging modes

of production. Capitalist social formation can include survivals of a feudal mode of production, but also the so called domestic mode of production (that has existed inside all previous modes of production and is organically and not residually included in capitalism, see. Meillassoux 1986, 96), and, as Jacob Rigi argues, emerging peer-to-peer mode of production (which he claims to be the seeds of communist mode of production) (Rigi 2013).

Co-existence of capitalist and non-capitalist modes of production contradicts traditional Marx's narrative of the primitive accumulation as a one-time occurrence whereby the old mode of production is destroyed and the value is transferred to the new mode of production. According to Marx, in order to begin accumulation process capital must have at its command a) means of production and b) labor power (personally free and deprived of means of production). Primitive accumulation is the process of formation of the above conditions, process of 'divorcing the producer from the means of production', which is 'written in the annals of mankind in letters of blood and fire' (Marx 1887, Ch. 26). But taking into account organic co-existence (articulation) of heterogeneous modes of production, we need a theory explaining how the value is extracted continually through preserving the relations of the dominated mode of production. Later Marxist thinkers, such as Rosa Luxemburg, Lenin, Claude Meillassoux and David Harvey, corrected this linear vision of the development of capitalism. I use this line of Marxist theory in order to reconcile my statement on the co-existence of various modes of production under the capitalist social formation with Marxist explanation of the working class formation. Most coherently the critique of primitive accumulation is represented in David Harvey's notion of accumulation through dispossession (Harvey 2003, 137-182).

Luxemburg distinguished two forms of accumulation: 1) economic process based on

extraction of surplus value concealed by bourgeois legality and 2) relations with non-capitalist societies by means of violence, fraud and oppression (Harvey 2003, 137). The latter form is needed to overcome the crises of overproduction and of over-accumulation. Of particular interest for Harvey is Luxemburg's idea that for stabilization, capitalism always needs something 'outside of itself' (non-capitalist classes, reserve labor etc.), whether pre-existing, or created by the capital. On the other had, Hanna Arendt noted that process which corresponds to the primitive accumulation is in fact a continuing force in the historical geography of capital accumulation through imperialism (the argument repeated by Claude Maillassoux 1986, 97) (Harvey 2003, 143). So, for Harvey, accumulation through dispossession is an (a) ongoing process of (b) capital accumulation through (c) (violent) involvement in capital circulation of (d) (pre-existing or created) assets from outside of capitalist economy.

Here I would like to notice *passim* that some authors apply the notion of primitive accumulation to the processes in Ukraine after establishment of market capitalism (e.g. Kasianov 2008). For obvious reasons that there was no transfer of value between modes of production and there was no class formation is a sense that workers were deprived of their means of production and means of subsistence and freed personally.

These important specifications imply a processual approach to class. Following Kalb (1997, 17) I avoid teleological notion of working class formation as a process that begins with the primitive accumulation and implies necessary more full control of capital over labor or necessary appearance and refinement of class organization and consciousness. Here I use the notion of working class formation, similar to accumulation through dispossession, in a sense of continuous process of changing relations between labor and capital. I do not follow Wright in his strict

opposition between class structure as relating exclusively to positions in relations of production and class formation as describing organizations on the basis of class positions (Wright 1998, 9-10). My position is closer to Katznelson's elaboration of the concept of class formation that spans four levels of analysis (Katznelson 1986, 1-19). On the fist level, she applies the notion of class formation to the development of the very class structure, that is positions in relations of production. The second level deals with social organizations in a sense of ways of living in work settings, labor market and family life. My notion of coping strategies is situated precisely in this domain and my goal is to show their relation to the first level of class formation. Coping strategies also influence the third level of class formation: shared dispositions of the groups of workers. Katznelson defines these dispositions as 'plausible and meaningful responses to the circumstances workers find themselves in' (1986, 19). This is the level of ideology (in Althusserian sense, see Section 4.2). I will also explore the influence of coping strategies for the fourth level, that of collective action (in Section 4.1). So, coping strategies appear as a nexus that combine all the four layers of class formation.

The notion of accumulation through dispossession resolves the contradiction between the primitive accumulation and co-existing modes of production under capitalism. It establishes the relation between capitalist mode of production and its 'other' that is simultaneously preserved and exploited. It was evident during the colonial period of capitalism when the metropoly could benefit of free or underpaid labor power and free resources. But this parasitic cohabitation with other modes of production is not characteristic only of the imperialist stage of capitalism. Neo-liberal politics, which presumes liberalization of the market and privatization, leads to a) enclosures of commons; b) devaluation of assets; c) privatization of state property; d) formation

of the market of cheap and unprotected labor. All this created opportunities for investment of the idle capital which has been over-accumulated. This situation was characteristic for the so called second world after its integration into the Western type of capitalism. In Marxist tradition exploitation of labor intensive regions by capital intensive is called uneven development. And the mechanism of this exploitation is rooted in over-exploitation of working class (Meillassoux 1986, 94), which, as I argue, is helped by existing coping strategies.

The rate of surplus value on which the profitability depends is defined as the relation of surplus value produced by labor to the variable capital. Capitalist strives to reduce the cost of reproduction of the labor power in order to extract more surplus value. In the context of deindustrialization and considerable reserve army of labor, he has all means to reduce wages to the minimum necessary for surviving and even lower, if the political situation is beneficial and extra-capitalist assets are present. I argue that the rate of exploitation was raised partially with the help of extra-capitalist assets involved in coping strategies.

Burawoy et al. mention that the focus of production is shifted from factory to the household (Burawoy, Krotov, and Lytkina 2000, 46). But the essence of production also changes. As Marx noted, productive labor is totally differently defined when the labor process serves the process of valorization (Marx 1887, Ch. 16). Only that labor is deemed productive which produces surplus value. But the labor at the household, which partially includes coping strategies, does not produce value at all. However, it is involved in producing a special commodity, indispensable for the capital, which is labor power. Production of labor power is the nexus which connect capital with extra capitalist modes of production and it is crucial in understanding the role of coping strategies for the accumulation of capital.

As Meillassoux notes, there are three components of the value of labor power: 1) sustenance of the worker during the period of employment (reconstitution of the immediate labor power); 2) maintenance of the worker during the period of unemployment; 3) replacement of the labor power by bringing up of children (Meillassoux 1986, 100-101). To these components correspond direct (paid by the capitalist) and indirect wages (paid by the state, social security system) (Meillassoux 1986, 103). In the course of neo-liberal transformations, the burden of reproduction of labor power was partially transferred from the capitalist to the working class itself which was still in possession of the residual assets inherited from the Soviet state. The reduction of labor costs is reached by transferring major part of all the three components of the value of labor power to the non-capitalist sphere, predominantly domestic mode of production. Engels noted similar process in one of his articles: “Sometimes, until speculation on land developed, 'workers' gardens' were also supplied, returning workers to a semi-self-sustaining economy in which their free time was spent on producing some of their own food. This lowered the cost of labor-power for competition permits the capitalist to deduct from the price of the labor power that which the family earns from its own little garden or field” (Engels 1872, cited in Meillassoux 1986, 108). Thus, non-capitalist production is indirectly contributing to capital accumulation. This process has its analogy in the described above parasitic exploitation of the infrastructure and facilities inherited from the Soviet times. As Burawoy and many other scholars noted, the assets on which worker's coping strategies are based are in fact inherited from the Soviet system (Burawoy et al. 2000, 47).

Chapter 2

Workers' Coping Strategies: Literature Overview and Classification

In this chapter I will review relevant literature on coping strategies (also called by various authors coping tactics, strategies of survival, household strategies, informal practices, and informal economy) and offer my classification of coping strategies which I will use in the analysis of ethnographic material.

Tracing the history of the concept of 'household strategies', Claire Wallace (2002, 275) notes that it was first applied in the 1970s by K. Hart, M. Castells, A. Portes and others to describe economic behavior of the poor in the cities of Latin America and Africa. In the 1980s it was used in studies of British society and after the fall of Soviet block, in investigations of post-Soviet countries. In the latter case, examining strategies of survival, for example in a collection of articles on Surviving Post-Socialism edited by Sue Bridger and Francis Pine (1998), served as an anthropological answer to neoliberal transitionalist dogma motivated ideologically and rational choice based accounts of liberal economists. It also attracted some interest in post-Fordism paradigm (Wallace 2002, 283). Initially, the concept stressed agency (and not structure), the household (and not individual or society), and informal and domestic sphere (and not formal economy). Partially, it was used as a reaction against Marxist structuralism. But later usages of this concept often favor second element of this set of binary oppositions, as I will show in this chapter. In my usage, the concept of coping strategies is rather wedded to a grasp of structural determinants of society and in this way I entrench it firmly in Marxist framework.

Simon Clarke (2002, 1999) envisages three coping strategies ('strategies of survival'): subsidiary employment, subsidiary agriculture and social networks. He has done a comprehensive assessment of the role of coping strategies for households during 1990s in Russia basing on Russian Longitudinal Monitoring Survey and a number of other surveys. He comes to the conclusions that a) coping strategies were not efficient in alleviating poverty and b) that they brought insignificant contribution to the household budget. Clarke's research is very significant for me methodologically in showing the way to estimate the role of coping strategies on a macro scale.

His first conclusion is directed against ascribing the dominant role to people's agency in the strategies of survival. Clarke notes that the stress on agency is used to justify cutting welfare, lowering wages and pursuing the social policy encouraging informal activities (Clarke 2000). I cannot but agree with his conclusion and one of the targets of the present research is to support it with ethnographic material. I also criticize this stress on agency conceptually against Round, William and Rodgers' interpretation of their ethnographic material from Ukraine (see below). But I do not agree with his second conclusion and his assessment of the role of coping strategies in reproduction of the human energy of household members. Clarke claims that subsistence agriculture is not important a coping strategy and even that it is rather a traditional way of leisure activity for the comparably well off (Clarke 2000, 6). Other authors (Mizguireva 2001, Burawoy, Krotov and Lytkina 2000, Round, Williams, and Rodgers 2010) disprove his estimation on the basis of their own quantitative and qualitative evidences. I also challenge the idea that coping strategies were insignificant for reproducing human energy and I think the mistake of Clarke was that he did not search for political-economic role of the coping strategies. This is precisely the aims of my study.

Burawoy, Krotov and Lytkina (2000) present an important qualitative complementation and

correction to Clarke's research of coping strategies ('strategies of survival'). Since 1994 they were following workers of Syktyvkar furniture factory, which was closed down in 1998. They broadly divide workers' coping strategies into defensive and entrepreneurial and trace their importance throughout life stories of workers. Their study is important for my research for several reasons. First, it is based on an ethnographic study of coping strategies of workers on a Russian furniture factory in diachronic perspective (which is very close to my approach). Secondly, the authors propose a broad political-economic contextualization of these practices using the notion of 'involution' (also Burawoy 2001). Thirdly, they relate coping strategies to a series of assets: material assets (apartments, cars, dachas, land plots), skill assets (education, professional credentials, physical skills), social assets (network of relatives and friends), and citizenship assets (state pensions, child support, public assistance, rent subsidies etc), that were inherited from Soviet period. Thereby they put forward an important question of path dependency of the current situation from the Soviet state (Burawoy, Krotov, and Lytkina 2000, 47).

For Wallace and Latcheva (2005), the basic criterion to classify sources of income is the relation to state regulations and law. On the basis of this criterion, they distinguish formal and informal economy (Wallace and Latcheva 2005, 81). Formal economy is monetized and legal: earnings of a regular job, pension, unemployment benefit, benefits at place of work, such as holidays, meals. Informal economy (outside the law) is divided into 1) household economy (non-monetised, outside the law), a-legal: growing own food, repairing house; 2) social economy (non-monetised ouside the law, a-legal): favours, help of friends and relatives; 3) black economy (monetised outside the law, illegal): buying goods with foreign currency, earnings of a second job, incidental earnings (Wallace and Latcheva 2005, 85). Their analysis is mostly interesting by the attempt of a strict classification of that

what I call coping strategies. But this classification is not totally relevant for my purposes which are not connected to public policy concerns. The research also gives very interesting estimates of relations between formal and informal economy, including proportion of different components of the latter (coping strategies), in a range of Central and Eastern European counties including Ukraine (Wallace and Latcheva 2005, 88).

Mizguireva's article (2001) is relevant for two reasons. First, she makes an attempt to analyze relations between coping strategies ('survival strategies') and class conflict, which she frames in terms of 'exit' and 'voice'. The very approach of envisioning coping strategies as lacking agency ('exit') and assessing their role in genuine class resistance ('voice') is very close to my preoccupations. But I cannot accept an analysis based on rational choice model of behavior because it is incompatible with my approach: I also pay attention to structural and unconscious mechanisms which determines the behavior of people, as well as to their cultural dispositions (Chapter 6). The second issue of importance to me is her classification. Analyzing coping strategies of Russian workers facing wage arrears, Mizguireva categorizes them on the basis of two criteria: monetary/non-monetary and value-adding/consuming. She does not differentiate between formal and informal sources. Her types of individual survival strategies are divided into Non-monetary: 1) Value-adding strategy (domestic production of goods and services); 2) Consuming strategy (consuming of goods transferred from family and friends networks), and Monetary: 1) Value-adding strategy (secondary and self-employment, formal and informal); 2) Consuming strategy ('Dissavings': sale, or rent of family resources; interest-free loans and contributions of money). She expressly excludes illegal types of behavior (with no explicit reason) (Mizguireva 2001, 87). An attempt to categorize coping strategies according to their political-economic role is suitable for my purposes but I cannot agree with exclusion of illegal practices.

Nazpary's monograph (2001) on dispossession in post-Soviet Kazakhstan is important for theoretical and methodological reasons. First, he gives a Marxist explanation of economic and political context of Kazakh society, proposing a notion of chaotic mode of dominance. Secondly, he presents a qualitative account of strategies of survival going in depth into the strategy of reciprocity and networking and giving a theoretical framework for it's understanding. Thirdly, he accounts for and explains ideological forms of consciousness present in the dispossessed.

Carine Clement argues that what she calls informal practices of the working class (Clement 2003:62) are inscribed into the new capitalist system build around the notion of flexibility. Talking about the ideology of neoliberal capitalism, she refers to Boltanski and Chiapello (2005). Hence, these practices are ambivalent: on the one hand, they give a certain autonomy to the workers, but on the other, they facilitate their exploitation. She also observes that the domestic production can cause withdrawal and cutting of direct and indirect wages (Clement 2003, 70). What concerns class struggle, she notes that informal practices contribute to individual solutions of the problems, lack of solidarity and lack of free time which is an organizational asset. Clement's theorization of coping strategies (informal practices) is the closest to my theoretical framework, although she does not go as far as to explore political-economic role of the coping strategies.

In an article commissioned by the World Bank, Svetlana Gerasimova (2005) takes a neo-liberal approach to coping strategies as means to overcome poverty. Paradoxically, she makes reference to Clarke's research mentioned above, where he expressly and convincingly refutes her framework of analysis. Gerasimova divides the strategies of survival into active, passive and active-passive (Gerasimove 2005, 193). Among her 'active' strategies are changing a job from state owned to private enterprise, finding a subsidiary employment, agriculture and animal husbandry for sale or exchange,

rendering services for remuneration. 'Active-passive' include growing more agricultural products, asking for help from friends and social security institutions, and 'passive' is saving. This approach, with its neoliberal ideological underpinning, shows theoretical implication of ascribing too much agency to coping strategies.

One of the first anthropological studies of coping strategies in Ukraine was a short article of Michael Walker (1998). In 1996 he was gathering life stories of workers and pensioners in Lugansk (Eastern Ukraine) and as an outcome of his field-work he presented several ways to cope with wage arrears, low pensions and inflation, such as subsistence agriculture, petty trade, and small businesses. The main thrust of his argument was directed against the discourse of transition.

Round, Williams, and Rodgers have published a number of articles based on their field-work in Ukraine in 2005-2006 (Round, Williams, and Rodgers 2008; 2010; also Round and Williams 2008; 2010). Authors of the major study of coping strategies in post-Soviet Ukraine use texts of de Certeau (1984) and Lefebvre and claim to show that the marginalized households use these strategies (which they call 'tactics') as resistance in response to economic marginalization (Round, Williams, and Rodgers 2010, 1199). Conceptualizing ways in which Ukrainian families cope with low income, they draw on de Certeau's idea of inventive practices of everyday life that make use of the space dominated by subjects of power. According to de Certeau, the activities of dominated are not totally defined by the dominant power. On the contrary, users (who are dominated but not docile) poach into the property of others relying on ruses, bricolage, and subversion. The dominated do not oppose directly to the system of domination, which they have no other choice as to accept, they use it instead for their goals. The users are not passive, they produce their life in the environment structured by the other, but their ways of operating are concealed by the dominant rationality (de Certeau 1984, XII). The procedures and

ruses of the dominated form an auto-discipline as opposed to discipline of the dominating power. By this auto-discipline, the 'weak make use of the strong' (de Certeau 1984, XV). Here is, according to de Certeau, a political dimension of the production of everyday life, which is essentially tactical in its resistance. In representing de Certeau's ideas, I am abstracting from the situation of production-consumption with which de Certeau is dealing in his book because Round et al. make a leap from the sphere of consumption and exchange of commodities to the sphere of production and exchange of an exceptional commodity, labor power.

Further, Round et at. rely on de Certeau's distinction between strategies and tactics (Round, Williams and Rodgers 2010, 1201). For this reason, they insist on the term 'coping tactics'. De Certeau separate these two dimensions of the military activity and assigns them to opposing actors as rival, but mutually dependent, logics of action. Strategies belong to the dominant, they are scientific calculation of relation with the dominated. But this calculation conceals real power relations that are based on the 'proper' place or institution of the subject of power. Tactics belong to the dominated, it does not rely on a proper place, which belongs to the dominant power. Tactics are operational in the place that is the property of the other. Using tactics, the users “manipulate events in order to turn them into 'opportunities'” (de Certeau 1984, XIX). According to Round et al., the state's strategy is to keep wages as low as possible, while people's tactics is to resist it with different coping methods such as house hold subsistence.

This is the only study of coping strategies on Ukrainian material that presents a solid theoretical basis. I posit my research in many respects in dialogue with and in opposition to the study of Round, Williams and Rodgers. I have already given my criticism of their usage of de Certeau in the theoretical chapter, so I will not return to it in detail. In this research I contend that workers' coping

strategies are not manifestation of their agency and resistance but rather structural disposition by which they are distracted from class conflict and over-exploited by capital.

Basing on the texts of the aforementioned researchers (mainly Burawoy, Krotov and Lytkina 2000; Clarke 2002; Nazpary 2001), I distinguish following types of coping strategies of the working class: 1) household subsistence production (domestic agricultural production and animal husbandry) based on material assets (apartments, cars, dachas, plots of land, gardens); 2) supplementary (secondary) employment based on skills assets (education, professional credentials, physical skills); 3) reciprocity relations (gift-giving, service rendering, mutual exchange) based on social assets (family and acquaintances networks); 4) market activities: street or suitcase trade; 5) illegal activities (taking things from workplaces, bribes). As my focus is working class coping strategies, I exclude from systematic consideration what Burawoy et al. call entrepreneurial strategies (2000, 47) which imply exploitation of hired labor force. But I include self-exploiting traders that occupy a contradictory class location between working class and petty bourgeoisie as semi-autonomous employees (according to Wright 1985, 47).

It is important to note that for the most part coping strategies are based on some material basis left from the Soviet state. These materials or social basis play an important role in my line of argumentation about the relation of the newly established capitalist mode of production to the domestic mode of production and its usage of the assets left from the Soviet state.

Chapter 3

Coping Strategies and Class Formation: An Ethnographic Analysis

According to some estimates, as of the mid-90s the average level of consumption of Ukrainians was 2.5 higher than their official income (Kasianov 2008, 90). According to a survey in 1996, mean household consumption was 649 (SD 470) and mean household income was 363 (that is 1.7 times), and according to Ukrainian Longitudinal Monitoring Survey 2004, mean consumption was 864 (SD 562) and mean income was 652 (SD 612) (that is 1.3) (Bruck et al. 2010, 130). The gap between income and consumption can be interpreted as caused by coping strategies like home produced food and other resources from 'the shadow economy', which are not reported as income. In 1994 sociological surveys showed that 56% of urban population used subsidiary agricultural economy constantly and 19% periodically (Kasianov 2008, 90). In 1996 the surveys showed that 62% of urban dwellers in spring and summer season are involved in subsistence agriculture (Khmelko et all 2004).

According to international experts, as of 1998 the sources of income of an average Ukrainian family are distributed as follows: 48% from wages and other taxed activities, 27% from subsidiary plots and dachas, 25% from shadow economy (Wallace and Latcheva 2006, 88).

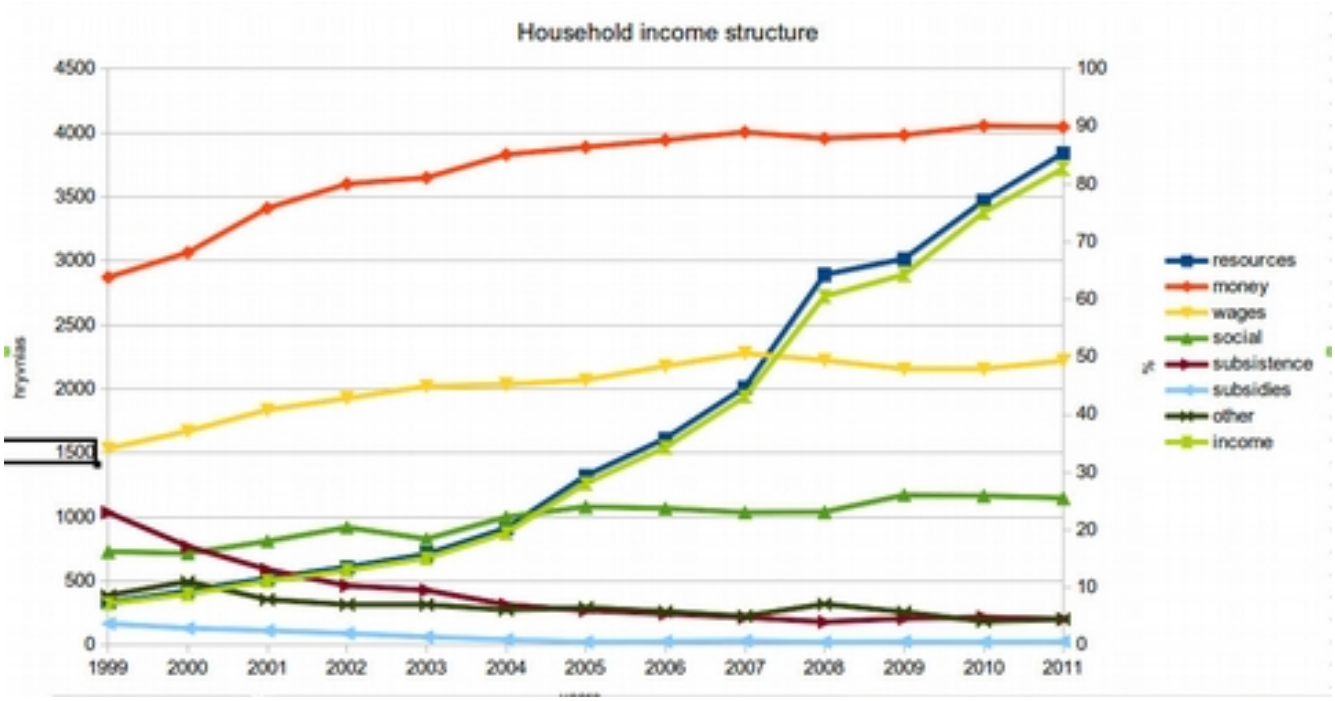

Figure 2. Household income structure (Data from State Statistics Service of Ukraine http://ukrstat.org/uk/operativ/oper_new.html)

As one can see in Figure 2, the share of monetary resources in the structure of income rose substantially from 63% in 1999 to 89.9% in 2011 (due to the raising share of wages) and it rose at the expense of household economy and state subsidies and 'other' sources. Incomes from household economy fell from 23% to 4%. This can be possibly caused by the overall growth of economy but also by the increase in real minimum wage imposed by the state (73 times from 1997 to 2012), which pushed average wages to increase 23 times (from 1997 to 2012). These estimates are rather crude indication of changing significance of coping strategies for the households through time, because, as I said earlier, many coping strategies do not belong to market economy and provide use value rather that exchange value. Therefore, these data need to be supplemented by qualitative studies.

My field-work among actual and former employees of Bila Tserkva tire works provided me

with rich material of various ways they compensated for low wages and wage arrears. Most of the incidents of coping strategies described concentrate around years 1998-2000 and 2002-2004 when the second tire works was shut down. In this chapter, I will categorize this ethnographic material, link it to broader social and economic issues of Ukrainian capitalism, and analyze it from political-economic point of view to show the significance of workers' coping strategies for the accumulation of capital and working class formation. I will categorize the ethnographic data according to the classification of coping strategies elaborated in Chapter 3. While presenting each type of coping strategies I will show to what extent they embody worker's agency and to what extent they are beneficial to capitalists. In conclusion, I will show how coping strategies define specificity of working class formation in Ukraine after 1991.

3.1 Classification and analysis of coping strategies

3.1.1 Agricultural household subsistence production

Most of the workers employed at the tire works belonged to the first generation of urban dwellers. 8 of 10 of the interviewed workers who belong to the first generation of tire works employees came from villages: their parents lived in countryside and had plots of land. Young people attracted by the perspective of getting new housing from the works were detached from the village sources of subsistence agriculture. Prior to 1991 and sometimes in the 1990s, the new urban dwellers were given an opportunity to get plots of lands and dachas additionally to housing. These dachas were already constructed for them on plots up to 1000-1500 m^2. They were alloted according to the agreement of the factory with collective farms in the villages along the line of the railroad. But even if they had this opportunity, some of the workers refused as they did not consider it vitally important or relied on the

land of their relatives who stayed in countryside.

The following case illustrates growing importance of agricultural economy in the circumstances of wage arrears and economic deprivation. The story of Valentyna, a planning engineer who works despite being officially retired, is quite typical. She left her native village in Kirovohrad region and proceeded with studies in the Dnipropetrovsk Chemical and Technological Institute (one of the main sources of the white collars for Bila Tserkva tire works). She got a referral to the newly built Bila Tserkva Tire Factory after graduating. Employed since 1973 as a planning engineer, she got married and received a flat from the works. Having worked for around 16 years, in 1988 she was given a 600 m^2 dacha in a village 15 rm from the city (her husband had a car). Valentyna relates that prior to 1991 the products grown on the dacha amounted to less than 15% of her income and were rather additional than vital. First, they grew fruit trees, currant, oranges. It was her husband who was mainly dealing with the land because he was brought up in a city and always wanted to have fresh natural products. For him it was also a matter of creativity and self-realization: as a young man he wanted to become an agricultural technician and now he had an opportunity to conduct experiments on his dacha. They started growing potatoes there only later, and also 'out of pure interest'. Valentyna sums up their experience on their dacha as a matter of 'pure fun' and 'connection to the land'.

But everything changed with the economic downturn and especially after the second tire works, where she was employed by then, shut down on the 15th of May, 1998. This year was fatal for Valentyna also for another reason: her husband fell seriously ill and died after few months. During the early nineties and especially after these events the subsistence agriculture was of vital importance for her, as she needed to support two children (girls of 6 and 9 years). Due to her long service record, in 1998 she was able to obtain a second plot of land, 600 m^2. There she grew potatoes and other

vegetables only for domestic consumption. She admits farming and the help from relatives to be vital sources of subsistence along with products from the factory shop (which she could take in compensation of the wages) and the money earned from working for a private vendor of vegetable oil.

My key informants, Valeriy and Tetiana, also benefited from the help of relatives from the countryside and worked on the land themselves. As Valeriy used to work in a collective farm before the tire works, he was able to obtain a plot of land from this collective farm, 1000 m^2, in the middle of the 1990s. For their family from 1997 to 2004 (when they temporarily moved to the capital city), subsistence farming was of vital importance.

An extreme case of this coping strategy is moving from the city to the countryside. I will illustrate this strategy with a life story of Mykola and Olga. Mykola came to Bila Tserkva tire works from the village of Medvyn, near the city. He worked there as an electrician until April 30, 1999. A year after shutdown of the works, two years after he stopped receiving wages, he and his wife Olga agreed to exchange their three room flat in the city for an equivalent house and 2500 m^2 of land in Uzyn, 20 km from Bila Tserkva, which now resembles a village rather than a town. Although Mykola was involved in a number of illegal and shady activities during his employment in Bila Tserkva, he could not secure money even for food. Neither could Olga. In the village, she continued to go to work in the tire works and Mykola found a job in a local farm where he received remuneration in kind. As they admit, possibility of household agriculture was the main stimulus of the relocation.

These cases illustrate an economic and demographical trend opposite to the one which began with the industrialisation and urbanization project started with the establishment of the tire works in Bila Tserkva. Then, in the late 1960s and the early 1970s, high wages (160 rubbles as opposed to 60 rubbles in the village, as attested by Anatoliy), good housing and infrastructural conditions attracted

thousands of people from villages to the expanding city. On the date of decision to build the factory (1963), Bila Tserkva had about 70 000 inhabitants, no waste treatment facilities and no normal health care facilities (Lisnychyi 2013, 9). The tire works was launched 1972 and in 1979 population more then doubled, reaching 151 000 (populstat.info) inhabitants. New urban dwellers came into a modern residential area with fully developed infrastructure. These people were not dependent any more on subsistence agriculture and could fully rely on direct wages and social benefits. After 1991 the reverse process was happening, pushed by deindustrialisation, lowering of wages, and wage arrears.

Retreating to subsistence agriculture as a strategy of survival and relocating to the villages reflects the general trend of deindustrialisation of Ukrainian economy which is parallel to what Buravoy, Krotov and Lytkina described as agricultural involution in Russia (2000, 47). The structure of national economy has changed from the prevalence of industry over agriculture to the reverse proportion. In 1991, a share of labor employed in the industrial sector of national economy was 31.2%, while those working in agriculture was 19.6% (that is 1.6 times less). As Ukrainian economy kept falling after 1991, employment in the industrial sector was declining while the share of people working in agricultural sector grew, although less dramatically. Right near the bottom of the economical downturn, around the year 1997, these tendencies meet and in 2001 23% of labor force was working in agriculture and 18,7% was employed in industry (1.3 times less).

More interesting for our purposes is the kind of agricultural economic activity which accounts mostly for the overall growth of employment in the agricultural sector: the private agricultural economy, that is the kind of activity belonging to the strategies of survival. The employment in the private agricultural economy has grown from 3.6% on 1991 to 12.4 in 2001, that is 3.4 times (data are taken from Khmelko 2002). Moreover, private agricultural economy became increasingly important in

the structure of the agricultural sector itself. In 1991 it constituted 18.4% of labor in agriculture and in 2001 it accounted for more than half, 52%. According to Kyiv International Institute of Sociology, 75% of the economically active population used this strategy of survival, including more than half of urban dwellers (Paniotto 2007). Ukrainian sociologist Valeriy Khmelko, bringing forth these data, concludes that in term of the structure of its economy, Ukrainian society degraded to the level of the 1960s (Khmelko 2002, 4). That is, up until years 2000-2001 economical involution reached the point before the establishment of the Bila Tserkva tire works and only during the later years there were some progressive changes.

Retreating to domestic agriculture, workers relied either on resources bequeathed to them from their relatives, or provided by the place of employment, or provided by the state. The resources for subsistence agriculture were structurally pre-given and not consequences of people's economical inventiveness or resistance. What changed is the function of these resources. The above cases lead me to agree with the conclusion of Buravoy, Krotov and Lytkina about the changing role of household economy: 'What was the subordinate counter-system under the old order now appears as the dominant unit of survival' (Buravoy, Krotov, and Lytkina 2000, 61). The extent of people's agency connected to these pre-given resources is just their more intensive exploitation. In fact, coming back to Valentyna's story, workers demonstrated much more agency in Soviet times, when they could grow plants out of curiosity or for fun, then later in their lives when they had to grow food to reproduce their energy.

3.1.2 Secondary employment

During 2.5 years of the first (1998-2000) and the second shutdown (2002-2004) of the second tire factory (then called Valsa), many workers who were officially employed there found other

temporary or long term jobs. One of the possibilities for employment was a private firm for producing frozen food established in 1995 by Liudmyla Dryhalo (she went bankrupt this year). Dryhalo was a daughter of the tire works' employee and one time she also worked as a decorator there. After 1991 she choose an original way of survival and established her own firm. Dryhalo registered her enterprise in 1992 but since then it was closed several times. 1998 is the year when she expanded her production, then predominantly based on manual labor. The second lucrative period for her business was in 2002 and 2003, when the tire works was idle for the second time. At this time some tire works employees found temporary and unofficial employment there. One of them was Vira, a friend of Valentyna, a planning engineer from Dnipropetrovsk who started working at the first and then the second tire works in 1976. Dryhalo factory employed manual labor and the workers nominally worked two days after two days of rest. But in fact the working day was not limited because the workers had to wait until the raw materials where ready and transform all of them into products. So, the working day could be from 8 am to 11 or 12 pm. There were piece wages and the workers were not compensated for the idle time they spent waiting for the raw material. Working conditions were inappropriate, because the ventilation in an old building was ineffective. Valentyna informed me about cases of people fainting at the working place. These data are supported by the interview with Andreich whose wife also used to work there. Workers talked about wages being around 12 hrn per day and that it was not enough to make ends meet. Therefore, even additionally to the side job they needed to resort to subsidiary strategies of survival. For example, Vira told that she would spend two free days at her dacha to provide her family with vegetables.

Not incidentally, the concept of household coping strategies attracted attentions of post-Fordist labor scholars (Wallace 2002, 283-285). This case presents an interesting mechanism of how private

firms profited from precarious labor that was officially employed at other enterprise. Here the over-exploitation is facilitated by non-payment of wages and availability of other strategies of survival. Absolute surplus value was extracted from workers because, first, there was a big reserve army of labor for low skill operations, and second, workers could reproduce their labor power due to sources outside wages. High rate of exploitation was used to accumulate initiate capital for the development of Dryhalo's business. Later she expanded her business and invested the capital accumulated by extracting absolute surplus value into more advanced technology of production of cook-chill food. The firm grew as a parasite feeding off living labor from the backbone enterprise, the tire works. By using this strategy, it joined a belt of small businesses around the tire works that existed by buying raw materials and production from it (I will elaborate on it more detailed in a section about stealing as a coping strategy).

The next curious example shows one of the possible ways of coping is connected with religiosity and therefore with false consciousness (see next chapter). Volodia has been a fitter at the CMD&A workshop, he is a Christian. In 2003 when the works was closed, he asked permission from the priest to beg alms under the gates of the church in the city center. For the permission or the 'blessing' to used the place at the cathedral, he was to give one tenth of his 'earnings'. Volodia had been doing it for two years, from 2003 till 2004 when he returned to the factory, reinstated in the same position. Ironically, the banner of the Rosava PJSC placed above the entrance of the second tire works depicts a church towards which three tires are rolling in the field of ripen wheat. The banner was designed by Valentyna.

More cases of subsidiary employment will be discussed in the next section.

3.1.3 Reciprocity and network relations

As Buravoy, Krotov and Lytkina noted *a propos* Russia, after the center of economic and social activity shifts from the workplace to the household, a network society resurges to link households and compensate for lack of formal means of sustenance (Burawoy, Krotov, and Lytkina 2000, 61). Nazpary notes (2001, 65) that the Soviet system of redistribution relied on reciprocity, that held subsidiary position though, but after *perestroika* it gained prominence as a strategy of survival. Ethnographic data allow me to discern three types of networks that efficiently works as coping strategies. Professional networks were formed on workplaces, they are assets inherited from Soviet production centered society turned into means of accessing subsidiary job or other sources of income. Two other types of networks are family and neighborhood networks. They are used to find subsidiary employment or to benefit from mutual aid.

My key informant Valeriy describes a professional network of control and instrumentation specialists as a tight community where everyone knows each other within the 'big village' of Bila Tserkva and even in the limits of Kyiv region. Because little firms cannot afford to have constant personnel of control and instrumentation specialists, they engage professionals from outside, and only when they need to setup or repair their equipment. Through his professional network Valeriy, who is retired now, can find a temporary job consisting of setting up, repairing and purchasing equipment. Similar networks of mechanical maintenance specialists are described by Alexander. He also used to find side jobs through his colleagues. For example, while working at the mechanical factory of the tire works they set up a production line at bread baking complex.

Networking is used on the workplace to complement redistribution of payment in kind or

other benefits from the works. Mykola recalls that goods that where supplied to the works shop were partially redistributed by workers among themselves basing on their needs.

Informal affective subsidiary labor is also based on networking. Irina and Valentina, former employees of the tire factory, were informally involved in aged care services. Tetiana has been babysitting since she had been fired from the tire works. They used to find clients through networks of colleagues and acquaintances and not through an agency.

Family and neighborhood networks (or their combinations) are used to organized various forms of reciprocity. These can be exchange of food supplies, clothes and mutual aid. Mutual aid is the assistance not based on direct exchange of goods or services and not mediated through money. Andreich got several professions before and during his work at the tire works. In 90s he helped repairing refrigerators and TV-sets free of charge and sometimes he was using small details taken from the workplace. He was performing these services for acquaintances without prior agreement about remuneration.

The role of networks in society can be ambivalent. In fact, social networks as described above, were not empowering people and adding them agency in defending their economic rights, but rather facilitated spread of the market of flexible and precarious labor.

3.1.4 Market activities

It was possible to sell products given to the workers in compensation for their delayed wages. Mostly these were tires and consumer goods from the factory shop. Although tires were issued to the workers during the Soviet period, they were only in addition to wages and served as encouragement to the best performing workers (Remeniuk 1993, 50). Approximately from 1995 tires were given instead

of wages. Workers were obliged to perform the work of sales department and convert their own production into money themselves. Sometimes, though, workshop managers would organize realization of tires centrally so that workers would not sell them on their own (it was the case of Mechanical factory, communicated by Alexander). Those who were to sell the tires either did it on their own or did it though middlemen in the half-legal tire market. It was usual to sell the tires at the Kyiv-Odessa highway directly to the drivers, but this resource was controlled by mafia. Some workers went to other cities in search of a market. Sometimes, especially later, market price of tires was lower than their production price (which was accounted in consideration of wages). The prices are reported to have been UAH 24-50, that is one could take one to six tires for a month's salary (depending on quota per person and given that average salary in the in factory in 1996-1998 was around UAH 150).

Another source of income was selling of stolen materials. Usually, one could sell stolen normal tires, defect tires, crude rubber, rubber goods, equipment, and color metals (more on stealing, see next section). Defect tires could also be sold on the road for the prices of normal ones.

Tires could be sold through middlemen at the local tire market (bazaar), situated in the residential area. It used to be nicknamed the Third tire works (by analogy to the first and the second) because of the amount of cash that went though it. According to Valeriy, the market appeared in 1995 and it was mainly a place of black market operations controlled by mafia. Now it is a decent private market where one can buy rubber products and other car goods.

People also mentioned selling agricultural products produced on their own lots. Some of the workers remained petty traders after leaving the permanent job in the works.

3.1.5 Illegal activities

Not unexpectedly, it was not easy to pull out any information about stealing and other illegal activities as coping strategies. People denied, sometimes emphatically, stealing anything and seemed to be scared to even talk about events buried in reasonably distant past. Further talks would reveal that they had reasons to. But informants were not as reserved about illegal activities of their colleagues and friends. Little by little, sometimes with the help of alcohol, I learned that theft was a very important worker's coping strategy. But workers' theft was inextricably linked to and to some extent facilitated by management's illegal activities for whom it was an entrepreneurial strategy. As Anatoliy put it, 'I see that the boss picks and I will try to nip off'.

It is important to note that in 1996-2005 stealing was spreading from top down, both management and workers were involved. But it is no less important to distinguish stealing as a way to accumulate capital for management and as workers' coping strategy. The latter was rather dependent on and subjugated to the former. This situation fits well to what Nazpary described as chaotic mode of dominance (Nazpary 2001, 5). This political regime is a response the ruling class to the crisis of hegemony, which began in the USSR in the late 1960s. Chaotic mode of domination is characterized by dissolution of the Soviet society into elites' networks of influence on the one hand and people's networks of survival on the other (Nazpary 2001, 6). Later, the networks of influence, whose activities included illegal practices and violence, became articulated with crystallized state institutions.

Workers were stealing depending on the position and place of work. Several informants told me that people from the mixing shop used to buy clothes one size larger than usual in order to hide crude rubber which they wrapped abound their body. They worked in groups and cooperated with guards. Guards would even warn them in case police was close. Electricians and fitters stole color

metals.

There was a whole industry of small private enterprises around the works that accepted the stoled material and used it in their production. Some of these enterprises have transformed into legals ones and are situated in the territory of the works.

During the Soviet times workers stole but it was criminally punishable activity. Police even had a special department dealing with Rosava complex. But during the nineties stealing was relatively tolerated. In the most blatant cases a worker could be only fired.

But 'what is the robbing of a bank compared to the founding of a bank?' (B. Brecht, *The Threepenny Opera*). Moreover, if this 'bank' is itself founded by robbing. According to Valeriy, since 1996 until 2004 the factory worked part of the time illegally. The management created a whole hierarchy of people involved in a shadow production: from the higher administration to the managers of workshops and shop foremen. They had their own parallel security service in connection with police and state authorities. Employee were doing their job but they never knew whether they were working for the official market or for the black market. Documentation for the 'shadow' production was immediately destroyed, so that later nothing could be proved.

It was dangerous to walk around the workshop during the night shift because you could become a witness to illegal activities, for example, illegal transportation of the tires. Sometimes it was even dangerous to walk behind the walls of the factory, because tire and other products were flying over the walls. According to Mykola, one of the factory guards was unhappy to find himself close to the site of shadow activity. He was tied up and thrown into a pit, where he got seriously injuried. Valeriy told about a notorious case of killings: first the head of security service, then the head of the sales department. The latter one, named Pushka, used to be a distinguished worker and a chairman of

the Works council, but then, according to the rumors, he was involved in criminal schemes of production, did not share the revenue and was eventually killed. More fortunate guards, like Valeriy's friend Sergey, were generously rewarded. Sergey reportedly received around $100 per shift for letting out cars loaded with tires and he used to show off his wealth by burning paper airplanes made of banknotes.

Stealing is present as a workers' coping strategy and as a capitalist strategy of accumulation. There seems to exist a silent contract between extreme poles of class-based hierarchy: you can steal under the condition that you do not surpass a certain limit and do not intrude in illegal activities of your bosses. Pushka and Sergey are good illustrations of how behavior consistent with one's place in the hierarchy defines the limits of this type of coping strategy.

3.2 Social and political-economic significance of worker's coping strategies

In this chapter I analyzed evidences that pertain to structural and social level of class formation (according to Katznelson's classification discussed in chapter 2). Basing on the evidence of my field-work, how do exactly coping strategies enter working class formation?

Coping strategies mobilize resources (including networks and skills) inherited from Soviet welfare system. In the case under consideration, these resources where already present before the circumstances when they were required as coping strategies. The employing enterprise, the state, and the city supplied them. Therefore, it would be incorrect to ascribe much of agency to workers who use these strategies. The workers were rather structurally predisposed to use them in order to reproduce their human energy (including labor power). Besides, I agree with Mizguirva that 'the nature of survival strategies confirm the path-dependency theory: being deeply rooted in the Soviet time they have more

prospects to be institutionalised than risky social movements.' (Mizquireva 2001, 95). Moreover, workers' level of agency manifested in their exercise of creativity was higher during the Soviet period due to more leisure time and higher wages. Therefore, the evidence from my field-work do not support Round, Williams and Rodgers' qualification of coping strategies as tactics of resistance that 'poach into the property of others'.

Workers' coping strategies do not act antagonistically in relation to capital. As an outcome of these structural conditions, the coping strategies allowed for over-exploitation of workers by the management of state owned enterprises ('half-owners' directing profits to private account and socializing losses) and private owners. Wages could not only be very low, they could be delayed for months, thus being a non-interest loan (Gryshyna 2001, 7) to the capitalist and subject to inflation. Even in these circumstances workers continue to go to the official work (for reason described in the next chapter) because they are able to reproduce their labor power by other means than wages by employing such strategies as household subsistence agriculture, reciprocity based on social networks, and petty trade. On the other hand, such coping strategies as professional networks and subsidiary employment are nothing other then facilitators of precarious employments. Here, the over-exploitation can be manifested not only in lowering wages below the value of labor power but also by extending the labor day.

Shift of the focus of economic activities (production, distribution) from the factory to the household is followed by networkisation, fragmentation, and precarization of labor. As agricultural subsistence production has low productivity, it requires more labor time to produce a given amount of food than the labor time spent on the factory and then returned to the workers in a form of wages. This time is substracted as a possible resource for reflection and organization. Domestic production

presupposes increased importance of family and neighborhood ties then workplace based ties. Professional networks, that possibly could give birth to union organizations, in fact serve as a free resource for small businesses in order to recruit precarious labor.

Now, returning to the chart opening this chapter (Figure 2), I can conclude that during a certain period (the nineties and first half of the noughties) wages were below the level of reproduction of labor power, i.e. there was an over-exploitation and workers reproduced substantial part of their labor power by means of non-capitalist methods (household economy). What happened is approaching to Western-type capitalism when labor power is reproduced at the expense of wages. Ukrainian capitalism shows signs of approaching to a classically conceived neoliberalism only recently and before this the situational was similar to other described by Meillassoux for colonial societies.

These are the roles that coping strategies played in structural and social levels of class formation. But they have important implication for the level of dispositions (ideology) and action (class struggle). These implications will be discussed in the next chapter.

Chapter 4

Class Conflict and Ideological Coping

In this chapter I will discuss how coping strategies relate to the episodes of class struggle and forms of workers consciousness. Analyzing response of Russian workers to wage arrears, Mizguireva frames class conflict as 'voice' and coping strategies as 'exit' (in Hirschman's terms). She directly opposes these two reactions to wage arrears and comes to the following conclusions concerning causes of the lack of class struggle: 1) weak institutionalization of channels of discontents (trade unions); 2) inability to attribute blame due to complexity; 3) disbelief in the effectiveness of the protest actions; 4) lack of habit to protest (inherited from Soviet Union) (Mizguireva 2001, 95). So far, her conclusions apply to my case. Coping strategies, instead of being 'tactics of resistance' in a sense of Round et al. (2000), are so many reactions of passivity and resignation rather than genuine class resistance. But the causes of this situation (I would not call this a choice, as Mizguireva does, thinking in the framework of rational choice theory) are far more complex that enumerated above. I will analyze episodes of class conflict in the tire works and tease out reasons why they were not very effective. I will also take a look at forms of workers' consciousness that contribute to their passivity.

4.1 Episodes of class conflict

Peaks of strike activities in Ukraine are years 1989, 1992, 1994, 1996, and 1997. Near half of all the workers involved in strikes were industrial workers. But the share of the striking among all employed in industry was low: 2.5% in 1996 and 1.5% in 1997. After 2004 there are only incidental

strikes (Simonchuk 2011, 61). According to Symonchuk (2011, 64), the level of strike activity correlates with the level of forced underemployment: in 1997-1999 around 40% of workers were employed part-time. Another factor of strike activity is wage arrears. This last cause lead to the strikes in Bila Tserkva tire factories in 2002 and 2004, which I will discuss below. Both these factor decrease in mid-2000s and reappear after 2008 crisis.

General conclusions from what informants told me are that strikes were not numerous and that the local trade union did not support them. Most successful in bargaining with management were people from mixing shops because they could stop the whole production process. As a rule, management paid attention to them. Mostly strikes or attempts at protest actions were disorganized. Anatoliy recalls a failed strike in his vulcanization shop. Half of the shift announced a strike but they did not stop the machines. Even before the actual strike began, the manager of the shop and the director of the works came and threatened the workers to withdraw benefits. Anatoliy did not support the action because it was not organized 'as it should be, with laying out demands on paper'. That is how the strike ended. The official trade union not only did not support workers' efforts to protect their rights, but also helped the management to intimidate them. According to Valentyna, in times of wage arrears the head of the trade union threatened that whoever would ask about the wages, his employee ID will be written down.

My informants Valeriy, Valentyna, Andreich and Mykola recall only one episode of class conflict in Valsa (formerly, second tire factory, their place of work), which happened in the form of strike. First, there was a significant discrepancy over the dating of this events, whether they took place in 1998 or in 2002. Probably, this was due to the similarity of circumstances: the second tire works was shut down in the spring of 1998 and in the spring of 2002 with delays of wage payments preceding the

shutdown. Hence, interference of memories. But cross checking their data showed that it happened in 2002.

After 2 years and 5 months of idleness, in October 2000 the second tire works started operation with great difficulties, because not all of the equipment could be started and not all of the workers returned. The controlling stock of Valsa was bought by a firm under control of Konstantin Zhevago, one of the wealthiest Ukrainian oligarchs ('Finansy i Kredyt' group) (OAO 'Valsa': zabytaya sudba 2004). The enterprise worked for the rest of 2000 and throughout 2001. Wages were payed regularly until November 2001. The average salary, according to Valeriy, then was around 200 hrn for technological workers, 110-120 hrn for a set-up man of the 6th grade from CMD&A (as in the case of VM), and the salary that was considered to be good was 300 hrn. This was below the national average for the industry of production of rubber and plastic, where the average salary for 2000 was 256 and for 2001, 344 hrn (http://ukrstat.org/uk/operativ/operativ2006/gdn/prc_rik/prc_rik_u/dszpPD_u2005.html). Although the wages were regularly payed, for the most part of the workers they were even below the official subsistence level, which was 270 hrn for 2000 and 311 hrn for 2001 (http://index.minfin.com.ua/index/wage/).

Since November 2001 workers stopped receiving wages and by February 2002 discontent among workers started growing. By the end of 2001, the sum of wages payable reached UAH 9.5 mln. The open form of discontent first manifested itself in the CMD&A workshop. The initiator was the head of this workshop, Oleksandr Zhuravin. He agitated workers and organized a protest, not supported by the trade union. Instead of going to work, the workers of CMD&A workshop gathered on a separate territory outside of the works. (near an old building where the CMD&A workshop used to be). Workers put forward economic demands: payment of the outstanding and current wages. The strike of this

workshop lasted one month, February. In March, some main workshops joined the protest and the works shut down. The general strike lasted two months, during March and April. People came to the works and expressed their discontents in spontaneous meetings, they also gathered in order to socialize and to share news. But it was the beginning of an agricultural season and many workers left for their dachas.

In May organizers of the protest called a meeting near the administration building of the tire works. According to Valeriy's estimates, there were from 800 to 2000 people because there was a constant flow of people coming and going (that is, roughly from third to half of the workers). By then, the factory's main creditor Ukreksymbank intiated bankruptcy proceedings against Valsa (in a year the company will be declared bankrupt). So for the workers the issue was a priority of debt payment. Representatives of the management came out to the protesters and proposed to meet in the Palace of culture. Protesters started a march towards the building through Levanevskyi avenue (main road of the residential area). The column marching slowly from the management building to the Palace of culture shut off the avenue. In the Palace of culture, a presidium was chosen comprising representatives of the municipal authorities, works administration and the protesting workers. Zhuravin represented the strikers. This meeting happened, according to Valeriy, around 4-5 of May. A resolution passed that wage arrears shall be paid on a first-priority basis in relation to other debts to the creditors and to the budgets. Municipal authorities were the guarantors of the agreement. People were calmed by these promises and returned home. But the works had been shut until 2004 when some investments were attrackted. The wages payable for the whole period of arrears (the sum total since 1996 was UAH 15 mln) were returned only in 2004[1].

1http://www.investgazeta.net/kompanii-i-rynki/belocerkovskij-shinnyj-zavod-valsa-poluchaet-100-millionov-griven-investicij-148597/

The man who played a key role in the strike, as acknowledged by numerous informants, was A. Zhuravin. According to Valeriy, he used to be placed high in the hierarchy of *komsomol* but after some misdemeanors he was dismissed and in 1987 relegated to the position of the CDM&A workshop manager. He enjoyed high respect of the workers and was active politically (he was an MP candidate from quite a comic tiny 'communist' conservative party officially called a 'Progressive Socialist Party'). According to Valentyna, he was fired because of the protest activities, never reconstituted and even not invited to the celebration of the first tire (2012). Nobody could tell me his exact current position (supposedly, he is retired now but works as a security guard or a head of security on another factory) or his place of residence. Valeriy and Valentyna warned me that he is very traumatized by these events and would not talk about them. Zhuravin. According to Valentyna, memories would be painful for him. He was not even invited for the celebration of the 40th anniversary of the tire works.

The next episode of class conflict happened on a neighboring factory, Rosava (formerly, the first tire works). My informant don't remember it clearly, but it gained some coverage in newspapers. On the 17th of March 2003, several hundred workers of Rosava PJSC blocked the highway of national importance leading from the capital city Kyiv to the major port city Odessa. People were holding the picket line for nearly two hours, during which several accidents and an arrest of an activist happened (Hotsuyenko 2003). Eventually, the workers were persuaded to clear the road, but the incident showed both seriousness of social problems of the workers and the helplessness of their response. The strike that had culminated in the picket began mostly because of wage arrears that exceeded three months and affected families of more than six thousand workers. Around 2000 of them were forced to take leaves for three months without keeping wages. Three days after the picket, the meeting was arranged with the technical director to begin the labor arbitration. The workers, who had recently been ready to block the

road and confront the police, now were bought for a cheep price of around $20 to each and promises to settle the issue of wage payment. According to one of the proposed solutions, the outstanding wages were to be paid with tires (which their actual producers were supposed to sell by themselves in order to sustain their families). The head of the official trade union was mostly passive (Hotsuyenko 2003). As of 2012, the number of workers at Rosava PJSC was 4445 and the indebtedness for the payment of wages was UAH 8.5 mln (Khara 2012).

The first episode was rather a little success than a failure. If payments to the creditors were the first priority in the bankruptcy procedure, workers could never see their money (like many of the minor creditors). Although in two years and without adjustment for inflation, workers received their wages. The one time payment was enough to buy a new monitor for a PC (Valeriy) or visit relatives in Russia (Anatoliy). But obviously they could get more and earlier if the protest would have been organized and directed to against the top owners and not the local management.

Time was important for two reasons. The protests started in late spring after a year of regular wage payments. Obviously, one part of people had become accustomed yet again for a normal regime of exploitation, their attachment to coping strategies loosened. This part chose active resistance in order to protect their 'privilege' of being exploited. The other part those passive response and returned to their plots of land with incoming of spring.

4.2 Ideological coping: cognitive mapping and displaced protest

My field-work material abounded in forms of consciousness that were formed in reaction to and as defense mechanisms against economic dispossession and its social consequences. According to Nazpary (2001, 4), irruption of market forces into a non-market society of Kazakh SSR was

experienced as chaos. Although my interviewees did not use this word, they also displayed 'the lack of ability... to navigate these newly emerged stormy conditions of a predatory capitalism' (Nazpary 2001, 4). Workers' reactions to this cognitive chaos are ideological in an Althusserian sense of 'the Imaginary representation of the subject's relationship to his or her Real conditions of existence' (cited in Jameson 1990, 415) and they account for inability to properly relate immediate local experience to class structure of society and position oneself in the globalized world. Jameson (1990, 416) calls establishment of these relations cognitive mapping. And according to him, lack of social cognitive mapping is harming to political action. These forms of consciousness can be called ideological coping strategies because they perform roles similar to economic coping strategies described above. On the one hand, they provide patterns of orientation in the changed world (and in this sense renew psychological energy similarly to how economic coping strategies renew physical energy), but on the other hand, they prevent emergence of working class consciousness, channel and displace protest against class exploitation.

In a more precise way, lack of cognitive mapping facilitates populists dispositions. As Kalb observes, disjunction between more and more chaotic reality and distant and uncontrollable political projects evokes these populist moods and suspicions (Kalb 2009, 209).

Economic and social hardships caused by wage arrears and *de facto* unemployment caused mental and physical health problems. Vira who used to work in the central works laboratory and was fired in 2004, had a brain stroke that partially impaired her communication abilities. She thinks that the brain attack was caused by her having been fired from the works. Quite common is the reaction connected with drinking. My key informant Valeriy also used to have problems with alcoholism. The extreme case of depression lead to suicide. The case of MO was related by Valeriy, who new him

personally. MO, born in 1952, was a tire builder at the first tire works. After 1998, his wife chose the strategy of shuttle seller and traveled to Turkey. According to Valeriy, MO 'could not realize his potential', he plunged into depression and eventually hanged himself in the wooded area near the railroad in 1998 or 1999. This case exemplifies a broader picture of suicide in Ukraine. According to official statistics (Pyliahina, Vynnyk 2007), years 1998, 1999 and 2000 are the peaks of suicide rate for the central region (suicide rate around 1.6 higher than in 1988), with a clear prevalence of male suicide over female.

4.2.1 Personal attachment to the factory and ethos of productive labor.

In conversations with my informants, there was a constant motive reappearing which I would call an ethos of productive labor. On the one hand, workers identify themselves with labor process and on the other, with the factory. Identification with the labor process is best summarized by Anatoliy's words: 'If you do something, you must do it as it should be done'. This attitude reappears as a demand during the strike at Valsa. Here is an excerpt from a conversation about this strike with Valeriy: 'We wanted to make them work as it should be. That is, the workers fulfilled their obligations, come by 8 in the morning, leave at 4 PM... perform their duties conscientiously, so the administration also must fulfill its obligations. To make the administration work.'

Valentyna describes her identification with the factory in the following words: 'And then the [second] works was closed. I was looking out of the window, at the eighth floor, as my friends were going to work. And I was sitting at home. This turned me upside down. This did not let me live'. For Anatoliy, 'factory is the basis.' He compares dire economic circumstances of the 1990th and early 2000th with the famine of 1933. His father (born 1911) told him how he was illegally fishing in the

river in order to feed his family. Anatoliy compares his father's strategies of survival to his own: 'As my father clung to the river, I cling to the factory'. After the works stopped in 1998, Iryna wanted to return to work, she recalls having dreams about the works.

This attachment to the factory and identification with production process is associated with xenophobia. Anatoliy continues: '...The factory... we should cherish it. Because it gives us life. We can't only buy and sell, we are not Jews (*zhydy*). Those know how to buy and sell. They can sell everywhere, even in China... They cling to each other.' The other nation dealing with trade and opposing production are Vietnamese (Anatoliy calls them *niavniavtsi,* mocking Vietnamese names). They often recur as a negative example of merchants who don't want to work.

4.2.2 'Soviet mentality'

Another recurring figure is 'Soviet mentality'. Answering my question about low strike mobilization among workers, Valeriy said: '...We had another mentality, we were brought up during Soviet times...'. In similar context, Mykola's daughter also mentioned Soviet mentality, although she could hardly witness Soviet indoctrination apparatus. The word 'mentality' itself is comparatively new in Russian (*mentalnost*) and Ukrainian (*mentalnist)* languages and it used to belong to academic idiom (related to Soviet reception of the French School of Annals). Through a post-Soviet academic discipline 'Kulturologia', flavored with nationalist sentiments, the word reached anti-Soviet media discourse. In the media usage and in everyday language mentality means some conscious or unconscious mental disposition or attitude inherent in an ethnic or societal 'soul'. Therefore, workers could not apply this word to their experience prior to the 1990s. Current media discourse constructs their memories, but on the other hand one can argue that it exposes new realms of experience that

remained unarticulated for them. Apart from that, applying the notion of Soviet mentality to themselves, workers exhibit cynical consciousness: as if they said 'we did not protest, we knew it was wrong, but we could do nothing because we were directed by Soviet mentality'.

Soviet state, undoubtedly, suppressed workers' protest activity (1962 Novocherkassk massacre, strikes of the 1970s) and denied their right to strike. But on the other hand, strikes in the end of the 1980s, including the strikes of Ukrainian miners, were one of the factors that precipitated the collapse of Soviet Union. And on the local level of Bila Tserkva tire factory, Zhuravin, the leader of 2002 strike, used to be a Komsomol functionary, whose 'mentality' should be more Soviet than that of rank-and-file worker.

All these make me critical towards emic concept of Soviet mentality. As I showed earlier, path-dependency from Soviet Union is much more complex and ambivalent than simple determination through ideological programming.

4.2.3 Religiosity

Virtually every workers is religious or 'culturally religious'. Only one interviewee, Andreich, explicitly criticized religion as making people obey authorities. But even he believed in some alliance of Christian nations comprising Russians and Serbs.

The case of two women petty traders, Iryna and Victoria, elucidate connection of religion to trauma (religion as Marx's 'opium of the people', alleviating blows of the 'heartless world'). Iryna admits coming to religion through hardships: 'When it is bad, a man usually screams ... I did not even understand what I scream: Lord, help me!'. Iryna converted after a dream where she saw god himself announcing her he exists. She imagined herself as a little girl and Jesus was speaking to her in a

powerful voice. God shows her what to do in her life. But it is Satan who rules the world. Corruption, meanness of people, and the power of money indicate that world is moving to its end. Money are gradually substituted by bank cards, and these bank cards will be substituted by microchips. They will be implanted into human bodies: on the hands or wrists. The money will be digital, and these digits are the numbers of the Devil. People will not be able to use money without this implants. Personal data are gathered into a computer in Germany. People will be controlled and eventually destroyed through the chips: they will be poisoned from inside. Only those who will refuse these implants, abandon cities and go to the villages will survive. The West is more technologically developed, so it will perish, but people in our country have more chances to survive. This paranoid fantasy is close to phenomena described by Comaroffs as occult economy where inequality and domination is perceived as arcane forces that control and benefit from capital flows and produce insecurity and dispossession (Comaroff and Comaroff 2001, 25). More precisely, this account represents a displaced protest against financialisation and virtualisation of economy, 'casino capitalism' if we use again Comaroffs text (Comaroff and Comaroff 2001, 7). Andreich describes this feeling of disorientation metaphorically: 'We are like a flock of birds that were scattered and then sat on different boroughs'. The form of conspiracy theory, as shown by Jameson, plays the role of complexity reducer which compensates for the lack of cognitive mapping: "... [C]onspiracy theory... must be seen as a degraded attempt … to think the impossible totality of the contemporary world system" (Jameson 1997, 38). Mykola, whose story of relocation closer to land I told earlier, was scared by the possibility of war, like that which Russia waged in Caucasus. Similar to Iryna, he hoped to find refuge in the countryside, but he was hiding from Chechens and wartime.

4.2.4 Xenophobia

Hatred or despise towards ethnically and religiously other is quite widespread among Bila Tserkva workers, although often not acknowledged by them. Main targets are immigrants (Vietnamese, Muslims) and Jews (usually called offensively '*zhyds*').

Liudmyla Dryhalo, who expanded her business through over-exploitation of the workers, was campaigning in 2011 against building a mosque for a community of around a thousand Muslims of Bila Tserkva. Using islamophobic and racist rhetoric, Dryhalo, a deputy of the city council, eventually made the city authorities to withdraw the permission for construction of the mosque (Stroyev 2011). Her giving money for building of a Christian church and inciting religious and racial hatred towards Muslims is possibly explained by this business woman's membership in a populist *Narodna* party and the Parliamentary election where she would participate in 2012.

Suspicions towards Muslims is observable in everyday life. During our conversation about religion, Iryna notices and woman in a kerchief. She looked at her with disdain: 'Look, these people are coming'. Her friend Tatiana complained that Muslims who came to Bila Tserkva are reach and they get better jobs than locals. But then it appeared that they mostly trade: these are their jobs.

The story of Vietnamese presence in Bila Tserkva, as told by Valeriy, Anatoliy and Mykola, goes back to 1989, when a group of 200 Vietnamese workers was invited to Bila Tserkva tire factory. They were provided with a dormitory, integration opportunities and jobs in the works in order to master the technology of tire production. But the Vietnamese did not want to work there: they paid local workers to perform their tasks and engaged in trade instead. Although local workers were profiting from the side jobs, they were indignant because the Vietnamese 'were not doing what the State brought them for'. This indignation shows a junction of different ideological forms: identification with labor

process (which the Vietnamese did not want to perform), identification with the State (whom they cheated) and suspicion towards trade. Ironically, on the wane of Soviet period the Vietnamese immigrants predicted the nearest future of local workers, who will be forced to engage in all other types of activities except productive work.

4.3 Coping strategies, class conflict, and ideology

Strike actions on Bila Tserkva tire factories are mostly directed against wage arrears. But two major strikes happened not on the peak of nation wide strikes in the industrial sector, in 1996-1999 when wage arrears were the most severe also in Bila Tserkva. They took place in 2002 and 2003, after comparatively stable performance of the factories. The strikes were spontaneous, massive, not supported by trade unions and directed by distinctive personalities. Outcomes of strikes were positive if third party forces like municipal authorities intervened.

Workers framed strike actions not as antagonistic conflict but as a justified demand for the management 'to do its job properly'. Distinctive features of workers' culture are identification with labor process and identification with the factory.

As I mentioned in the previous chapter, networkisation and fragmentation were the outcome of shift from factory to household. But fragmentation has also another aspect: resurgence of ethnic mythology and xenophobia, stimulated by the dominant discourse. Instead of workplace based solidarity, recourse to nationalist solidarism. In an opaque wold of power hierarchies where it is not easy to define whom to address one's protest, the other became fetishes (in Freudian sense), onto which displaced class protest is fixed. Possibly, this is local and situated manifestation of the global tendency of 'double polarization' (Friedman 2003), which couples growing social division and polarization of

supranational cosmopolitan elites (hybridization) and infra-national economically subjugated popular identity groups (indigenization). While the former claim to represent democracy and multiculturalism (as in case of Ukrainian 'enlightened' oligarch Pinchuk, who promotes contemporary art and organizes international business forums), the latter react against international capital domination in form of ultra-right ideology. But, as Don Kalb (2009, 208) notes, referring to Friedman's concept, 'spirals of nationalist paranoia' are determined by this tendency structurally but their local manifestation in contingent on path-dependent local configurations of class.

It is hard to decide about the role of path-dependency from Soviet State in worker's behavior. Workers' self-description as having 'Soviet mentality' is too suspicious of being a result of ideological inculcation. One can not also blame Soviet past for accustoming workers to coping strategies as alternative to protest because the assets, on which these strategies are based, have often played different role in Soviet society than they play in modern Ukrainian capitalism.

Conclusions

The case of workers from Bila Tserkva tire factory provides a typical example of coping strategies in their relation to exploitation and class formation. During mid-nineties and early 2000s the tire works accumulated debts in wages and suffered several shutdowns. These circumstances and overall low level of wages made workers recourse to different types of coping strategies: subsidiary agriculture, side jobs and moonlighting, market and illegal activities, reciprocity through social networks of colleagues, neighbors and relatives. Although to some extent some or all of these practices were used by some workers during the Soviet period, they played secondary role and gained vital significance only after imposition of the market capitalism. Nevertheless, the coping strategies are still based on material and cultural assets inherited largely from Soviet state and provided to them mostly from factory: land plots and dachas, education, housing and infrastructure, social networks.

The stories from Bila Tserkva workers do not let me agree with the approach of those scholars who see the coping strategies as active resistance and a way to battle poverty. My findings support those researchers who do not ascribe much agency to the members of households who use these strategies (Clement, Clarke, Mizguireva). Workers rather act according to structurally defined possibilities and on the basis of assets inherited from the Soviet state. Coping strategies of working class are not antagonist to the interests of capital, rather these possibilities and resources were exploited by capitalism in the phase of its crystallization in Ukraine. Even most inventive tactics, like stealing, was controlled and condoned to a certain limit by the forming class of capitalists or managers (occupying a contradictory class location), for whom stealing was a strategy of accumulation.

My findings speak in favor of the hypothesis that economic role of coping strategies in capital accumulation and their relation to class exploitation consists in facilitating workers' over-exploitation.

As part of the domestic mode of production, coping strategies are used to reproduce labor power that will be used by the capitalist, who does not cover the cost of its reproduction fully.

Alongside economic strategies of coping, my field material presented a set of forms of consciousness which I would call psychological strategies of coping with shock and lack of cognitive mapping. These include religiosity and conspiracy theories, xenophobia and identification with the production process.

Interviewees recall two big strike actions with demands to pay back the outstanding wages and sporadic local protest actions. All of them are characterized by lack of support from the official trade union, absence of durable organization and preparations, dependence on leaders having higher places in the hierarchy.

Coping strategies had a negative impact on workers organization and struggle, because they influence adversely availability of resources for genuine resistance. First, the coping strategies, especially low productivity subsistence agriculture and petty trade, are time consuming. Second, faclitate promoting fragmentation and networkization (connected to the shift from production to household). Third factor, not directly connected to economic coping strategies, is religiosity and xenophobia, together with identification with labor process that obfuscates the antagonism of interests between wage labor and employers. The factor of path dependency from Soviet Union can not be decided non-ambigously from the interviews as they show strong influence of anti-Soviet ideology, promoted through media.

According to the interviews and to official statistics (share of wages in household incomes), coping strategies as an economic sources became less significant since the second half of the 2000s. At least, younger workers employed at the factor do not report using these strategies (but they admit taking bank credits). The dynamics of household income structure, increased dependency upon wages lead to the broader issue of capital accumulation strategies in Ukraine. Clearly, Ukrainian capitalism

has not been homogeneous in its historical development and it is for further research to uncover which precisely mechanisms where used in different stages. Another question, linked to the previous, is whether it is fruitful do use the notion of liberalism to economic and political processes in post-Soviet Ukraine, and if yes, whether this concept is applicable to all the stages. As to specifically the question of coping strategies, a prospect for further research would be a comprehensive quantitative study based on Ukrainian Longitudinal Monitoring Survey and other applicable data similar to the one preformed by Simon Clarke (1999) for Russia.

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