UNDERGROUND WATERLINES: EXPLAINING POLITICAL QUIESCENCE OF UKRAINIAN LABOUR UNIONS

by

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Abstract

"Labour weakness" has become a ubiquitous cliché in sociological and anthropological texts dealing with Central and Eastern Europe. However, this blanket formula can conceal more than it reveals, since the concrete conditions may vary wildly among countries of this region. Unlike many neighbouring countries, Ukraine has huge trade union federations, successors to the Sovietera organisations, boasting many millions of members and possessing ample financial and other resources. These are matched by the widespread demand for union radicalism in the popular rhetoric. Nevertheless, unions fail to live up to these expectations, avoiding conflicts on every scale. Workers, on their part, are widely dissatisfied with the "impotent" unions, despising them but still paying membership fees. This is especially true for large enterprises controlling important bottlenecks which would be crucial in the case of a large-scale labour conflict. In order to explore factors conditioning the political quietude of Ukrainian labour, I analyse ethnographic data collected at two such enterprises: Kyiv metro and the privatised electricity supplier Kyivenergo. Employing the reflexive approach of the extended case method, historical institutionalist toolkit and Gramscian theoretical framework, I focus on a recent labour conflict in the metro, unpacking the various contexts condensed in it. My analysis suggests that the hegemonic configuration developed in the early 1990s was based on labour hoarding, distribution of non-wage resources, and patronage networks featuring foreman as the nodal figure. It prevented open industrial conflicts, especially channelled through the union. However, I also show that today this hegemonic setting is eroding simultaneously with depletion of Soviet-era resources on which it was founded.

Acknowledgements

Production of knowledge is a social process involving countless contributors, rather than an individualist Robinsonade of a daring researcher, flanked by his wise teachers and loyal informants. But even realising the problematic nature of the concept of authorship, I feel obliged to partially reinforce it by acknowledging at least those who influenced this text more than others.

My name on the title page stands next to those of my supervisors, Don Kalb and Ju Li. Their advice was critical for the process of producing this thesis on all stages, from conceiving the research problem to finalising the text. I am grateful to Don, who taught me to use the anthropological lens for a clearer vision of political economy and class – I will use this power wisely.

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Introduction

On Saturday, 30 November 2013, Ukrainians woke up to find that the riot police have attacked and severely beaten pro-EU protesters in the night. The scale of violence was unprecedented in Ukraine's recent history; the protests' agenda immediately shifted from foreign policy to police brutality and attracted much more attention than before. The opposition parties formed a "national resistance headquarters" whose task was to organise a nationwide strike. The headquarters was located in the central office of Trade Union Federation of Ukraine (FPU) which was occupied by protesters on 1 December. On 2 December, the second-largest national union body, Confederation of Free Trade Unions of Ukraine (KVPU), announced its decision to join the general strike efforts, and communicated the news to International Trade Union Confederation, International Labour Organisation, and Education International.

During the following month, the Maidan protests evolved into a major political crisis, taking form of huge mass demonstrations, occupations of administrative buildings, clashes with the police, night vigils at the gates of the president's manor – but not a strike. The very word 'strike' disappeared from public speeches by the end of the first week of December.

Meanwhile, several hundred meters away from Maidan, the municipal transit company's head office was the site of protests held by desperate drivers who demanded to settle wage arrears accumulated since July. They were protesting during the whole month, threatening to start an Italian strike unless their demands were met by 24 December. The banners posted on the windows of buses, trolleybuses and trams read: "They've bought batons and guns for the police while I haven't seen my wages for half a year"; "I'm prepared for the national strike, and you?" Most probably, many of these drivers went to Maidan demos as well – as individuals rather than as a struggling collective. Somehow they did not find active support from the movement which had started with a promise of a massive labour strike.

This promise was mentioned again on 29 December, when the opposition announced the beginning of the strike on 24 January. On 9 January, the National Strike Committee was officially created (again), and four days later KVPU leader Mykhailo Volynets explained that a national strike is an excellent idea, yet it should not be proclaimed in haste, before the politicians talk to unions and workers, create strike committees, sketch plans and formulate demands. That is, nothing of that had been done yet. He also suggested that the demands should focus on wage and welfare payment arrears (Moskaliuk 2014). The idle strike talk continued occasionally until mid-February, when the culmination of violence at Maidan made everyone completely forget about the unlucky topic.

The most important event in the recent history of Ukraine began with the promise of a general strike, but this never happened. In fact, labour-related agenda was marginalised at the demonstrations which were frequented by potential strikers: speakers tended to talk about corruption or nationality issues rather than wage arrears or welfare system (Denis 2014). Volynets was often seen at the Maidan stage, but his personal participation did not lead to actual political engagement of KVPU unions. FPU's leadership, on the other hand, took an outright hostile stand against the occupants of its building, instead of grabbing the chance to lead the movement. Conversely, the movement, which was working-class by its social composition, evolved in a very different direction from the hypothetical union-led scenario. Why was that?

The blanket answer about labour weakness in Eastern Europe as a result of neoliberal transformations directed against unions will not do. Ukraine could never be called a model neoliberal country, and certainly not a union-bashing one: as a matter of fact, in purely numerical terms, it is one of the most unionised countries in Europe. Ukraine's union density rate, standing at 42.1%, is only surpassed by countries of Northern and North-western Europe,

being definitely higher than in other Eastern European countries (ILO 2015b). To be sure, this number alone is not enough: France, which is usually prominent in the labour activism-related news, has actually one of the lowest levels of union density rate (7.6%). Simultaneously, France is the uncontested leader in terms of collective bargaining coverage level (98%): its institutional infrastructure allows non-unionised workers to benefit from the collective bargaining norms agreed by unions, and mobilises them in defence of the union case. But here, too, Ukraine is not the worst off: its collective bargaining covers more than half of national workforce, significantly surpassing other CEE countries, including the closest comparable cases of Russia and Poland (ILO 2015a).

So, according to statistical data, Ukrainian labour unions command very large numbers of members and are quite powerful in the collective bargaining process. If we believe these formal criteria and extrapolate the well-known patterns of Western Europe (or, for that matter, places like India or Tunisia), unions should be strong political players in Ukraine, influencing the national agenda and pushing for more labour-friendly policies of the state, using the political mobilisation resources as leverage in the political struggle. But nothing like this actually happens.

The largest union structure in Ukraine is FPU, which unites 9.2 million workers, or more than 75% of all unionised workforce in the country. It was founded in 1992 by renaming the local branch of the Soviet union structure, Ukrainian Republican Trade Unions Council. Since then the number of members shrank somewhat, but much less so than in other post-socialist countries. The formal political weight of this organization has, for all that matters, only risen after 1992. It is FPU who boasts most of the ample resources available to Ukrainian unions, but it doesn't seem to be willing to use them for entering the sphere of public politics. Indeed, the FPU demonstrates strong path dependency, preserving the attitudes of its Soviet

predecessor, which saw its main aims in ensuring productivity growth, organizing leisure activities, and distributing various goods and benefits among workforce.

The second-largest union structure, KVPU, was formed during the wave of coalminers' labour militancy in 1989-1991 with the help of AFL-CIO (largest union body in the US). It was supposed to become a "real" labour union dedicated to social democratic politics and reformist labour activism, unlike the sclerotic and inefficient FPU. But in reality KVPU became rather a less successful version of FPU: it is hardly ever involved in any independent public political activities dedicated to labour issues. Despite the more militant public image, KVPU is mainly oriented on behind-the-scenes activities during the collective bargaining on national and industry level, as well as on media spin of its all-time leader Mykhailo Volynets.

The lack of proposition on the market of politicized labour militancy is all the more puzzling given the socio-economic conditions which are supposed to create an ample demand for it. Life standards of the working class which have fallen dramatically in the beginning of the 1990s, have recovered to a certain extent in the 2000s only to plunge to the new depths after the beginning of the current economic crisis in the latter half of 2012. Even in the best years of economic boom, by all objective measures they lagged behind the indicators of the nearby Central and Eastern Europe (CEE) countries – to say nothing of the subjective estimates by the Ukrainian proletariat itself, which traditionally maintains extremely critical attitudes and is always willing to exaggerate its material sufferings even further (Cheren'ko 2008; Khomiak 2014).

Still, even the widely unpopular pension reform of 2011 was pushed through by Ukrainian government without any significant union protests, just as the more recent austerity measures and tariff hikes. Protests had been organized instead by various populist political parties;

unions, even when present there, played the role of an insignificant younger partner whose task was to create a picture of a wider constituency.

Even more paradoxically, in 2008 FPU itself produced a draft of a new Labour Code, which, if adopted, would bring about significant deregulation of labour market, narrowing of the scope of rights of workers, and worsening bargaining positions of unions. After the document was voted in the first reading, a small coalition of left-wing activists started a media campaign against it. The campaign was formally supported by KVPU (which, nevertheless, never mobilized its activists for this cause), while FPU was the staunchest supporter of the new Labour Code, being actually more insistent than the Federation of Employers of Ukraine (FRU, in whose formal interests the document had been drafted).

FPU and KVPU, FRU and individual employers, and the state, all together constitute what I call Ukrainian corporatist landscape: they are the main characters in the formal drama of social dialogue, and they are the main informal agents whose interaction defines the correlation of forces between labour and capital in Ukraine. On a micro level, this macro picture is further complicated by the presence of actual workers, not aligned to any union in any sensible way; they constitute one of the most important collective actors defining the rules of the corporatist social drama on the shop floor.

Ukraine remains a peculiar case of a country with formally quite developed union infrastructure (unlike most CEE countries) but with few signs of militant unions making political use of it (unlike Western Europe). The task of this research is to find out which particular historical and politico-economical conjunctions made possible this situation, and what this case can give to students of labour activism in post-socialist countries. To uncover the puzzle of political quietude of Ukraine's organised labour, I will need to look at the historical conjuncture which

conditions and frames it. This thesis will uncover main components of this conjuncture and their dynamic interaction on and between different scales: shopfloor, enterprise, national level.

My main theoretical framework will be Marxist, in a wide sense; that is, it will involve classic Marxist concepts of class, class consciousness, alienation, and mode of production. These basic concepts will appear in three theoretical contexts: Hillel Ticktin's analysis of Soviet and post-Soviet relations of and in production; historical institutionalism; Gramscianism and global-local anthropology.

These theoretical frameworks will be put into dialogue with ethnographic data collected during fieldwork in Kyiv from 1 January till 25 March 2017. My primary fieldsite was the labour collective of Kyiv metro. This is a large municipal enterprise, employing 7.5 thousand people, critical for the normal functioning of the city. It has the "traditional" union as well as the KVPU-aligned "independent" one. My second fieldsite is Kyivenergo, producer and supplier of heat and electricity, equally vital to the life of Kyiv. It has been privatised by Rinat Akhmetov, the richest man in Ukraine, during the presidency of his political ally Viktor Yanukovych. Absolute majority of the company's employees are members of the "traditional" FPU-aligned union. Both of these enterprises control strategic infrastructural bottlenecks which give their employees considerable structural power in the case of a strike. A workers' protest there would have major political repercussions, which defined my choice of these two fieldsites.

The research is guided by reflexive approach of "realist ethnography" (Allina-Pisano 2009; Burawoy 1998; Kubik 2009). My basic method consisted of conducting informal and semi-structured interviews with workers and union activists. Besides employees of the two mentioned companies, I talked to former workers of Roshen (another old and large privatised Kyiv-based factory) and a newly created mid-size private factory in Eastern Ukraine. Apart

from that, I held a series of interviews with regional and national leadership of FRU, FPU, and KVPU – this being my third virtual fieldsite of sorts. The total number of interviews was 24.

Analysing the interviews, my main goal was to isolate and describe dynamic path dependencies explaining "how and why memories, knowledge and networks from the past are reconfigured in the present to serve as tools for survival or advantage in situated social practices under new conditions" (Kalb 2007:323). It is impossible to ignore the Soviet legacy while studying the specific situation of post-Soviet Ukraine, simply extrapolating the better-studied CEE trends; but on the opposite side, there lurks the danger of a simplistic dismissal of all the subsequent dynamics of global-local capitalism. If the paper manages to lead the reader between these Scylla and Charybdis without drowning in pleonasms, its task will be completed successfully.

The structure of the rest of the paper is as follows. In the first chapter, I will review theoretical frameworks used in this research, discussing the relevance and applicability of each. Second chapter narrates and interprets historical development of trade unions in the Soviet Union and their adaptation to the new realities. In Chapter 3, I will treat the relations between the unions, employers, and the state at the upper level of the social dialogue landscape. The next chapter will tell the story of an industrial conflict in the metro, which will help me describe grounded realities of sustaining hegemony at a post-Soviet workplace. Chapter 5 will discuss the new trends observable in the field, which are likely to further erode the traditional post-Soviet landscape. In the Conclusion, I will recapitulate my findings and situate them in a wider context.

Chapter 1 - Theoretical Frameworks and Conceptual Toolkit

Introduce your chapter so that the chapter heading is not adjacent to the heading for the first section, and so that the reader knows what will be happening in this chapter and how it contributes to the thesis as a whole.

The framework for understanding Stalinist social contract and its implications was set by Hillel Ticktin (1992). Other Marxist authors working in this framework (Clarke 1993c; Connor 1991; Filtzer 1992) provided meaningful analysis of the contradictions of Soviet political economy, characterised by chronic labour shortage, lack of profit drive for productivity, prevalence of covert "perverted class struggle" at the workplace, alliance of factory management and workforce, and divisions among the latter. Their approach opens possibilities for a fruitful interpretation of the post-Soviet power configurations (Clarke 2007; Lane 2015; Ticktin 2002), which will also be my primary task here.

Section 1.1 – Corporatist School

One of the observations made by Ticktin and others, the vast system of social infrastructure tying the worker to the factory, is still an extremely important factor behind labour quietism in post-Soviet societies today. It served as the main explanation for the differences in political behaviour of steelworkers and coal miners in the 1990s in Russia, as explained in the seminal book by Stephen Crowley (1997). Crowley is one of the main representatives of the "corporatist" approach, which stresses the importance of the Soviet welfare distribution legacy in explaining the perceived labour weakness in countries like Ukraine or Russia (Crowley 2001, 2004). But he is by no means alone: Mihai Varga (2014) pinpoints the Soviet model of "distributive" unions, dominant today in Ukraine, as the main mechanism preventing workers

from taking on a conflicting stance against employers. According to him, unions in Ukraine do not initially possess autonomy from the owner and management, which is a given in Romania; workers, on the other hand, are not prepared to turn down the vast system of benefits distributed via the "official" union and enter the independent one which promises nothing but risks.

The concept of corporatism also helps explain social stability in Ukraine on the macro scale. Kubicek (2000) shows how the vast property and other resources available to the leadership of FPU make it dependent on the state and ensure its loyalty. His earlier term "residual corporatism" (Kubicek 1999) implied that this situation was a mere aberration doomed to evaporate, but five years later he called for political economy to "be brought to the forefront" and said that "labor's ultimate problem is less the communist past or the confusing and turbulent present, but the future that will be defined by market relations" (Kubicek 2004:51). Thus, the main shortcoming of the "corporatist" school – its obsession with continuities – seems to give way to a more dynamic outlook.

For Kubicek, the main factor behind the corporatist landscape of Ukraine was the strength of the state which was able to dictate its rules to unions. This point is challenged by L.A. Way (2001:42) who introduces the concept of "bureaucracy by default" - the "end result of a weak state, a history of impersonal bureaucracy and weak alternative claims on resources". His vision of the corporatist homoeostasis structured by the weakness of all stakeholders (Way 2015), provides a useful angle to observe relations between unions, employers, and the state in Ukraine.

Section 1.2 - Structuralists

The "corporatist" authors use neo-institutionalist approaches which will also partly inform this work. Historical institutionalism, a tool often used for analysing labour policies and unionism, stresses the "stickiness" of institutions, their tendency to persist in changing environments

(Thelen and Steinmo 1992:1–32). Special attention is paid to the state as a powerful agent which patterns social conflicts (Evans et al. 1985). This approach will guide my attempts to track the historical dynamism of institutions formed decades ago.

Aiming at real-life complexities and dynamics, historical institutionalists refute the "rational choice institutionalism" as based on abstract schemes and imputed motivations. And yet, rational choice assumptions lie at the foundation of the social movements theory studying long trajectories of contentious politics, protest cycles and repertoires, and structure of political opportunity (Tarrow 2012). This approach spawned the distinction between "Marx-type" and "Polanyi-type" labour protests (Silver 2003), important in Ukraine, where strategies of old and hopeless workers of dying factories (Walkowitz 1995) may differ greatly from those of the more confident and young workforce of the rising industries (Popovych 2012).

Structuralist/institutionalist approach lends the optics to see the roots of the current corporatist setup in Ukraine in labour stratification (Lane 2015) and peculiarities of post-Soviet labour market (Gimpelson and Kapeliushnikov 2011; Gorbach 2015). It can and should be coupled with politico-economic macroanalysis which allows a closer look at the dynamics of Ukrainian capitalism (Bojcun 2011, 2014). It has its indisputable merits, but just like the "orthodox" Marxism it has a blind spot in the place of subjectivity and agency of individuals and small groups. Moreover, institutionalists can often get carried away by the precious local details and forget about a wider, global context. Politico-economic anthropology, borrowing heavily from Gramscian theory, aims at eliminating these flaws.

Section 1.3 – Gramscian Anthropology

Anthropological research of labour in Eastern Europe, guided by the postulates of reflexive science, is exemplified by the work of David Ost (2005) who used ethnographic fieldwork and narrative analysis to see how the Solidarity union in Poland was transformed and defeated

despite the seemingly strong positions of organised workers in 1989. Kalb (2009, 2014) was working in the same field, although his assumptions were different. Instead of lamenting the defeat of labour, he traces the non-trivial ways in which the repressed class agenda returns into the public sphere.

Kalb employs the toolkit of Gramscian politico-economic anthropology. The critical junctions approach developed by this school pays attention to the dynamism of the picture and to important connections which are often framed out of sight, exploring dynamic and dialectical "relations through time, relations in space, relations of power and dependency (internal as well as external), and the interstitial relations between nominally distinct domains such as economics, politics, law, the family, etc." (Kalb and Tak 2006:2–3). This "relational realism" requires simultaneous attention to micro-level details and inscribing them into wide picture, leading away from abstract ideal types isolated from context. Field site here serves as a convenient place to link analysis of national or global structural dynamics with the microanalysis of local practices and attitudes by discovering critical junctions. This goes beyond the methodology of conjunctural approach (Murray Li 2014:16–20), adding time dimension to it.

The lens for reading these junctions is provided by the "expanded" or "relational" concept of class, bereft of its reductionist and essentialist layers and understood as a relation rather than as an analytically defined group of people. Instead of an externally prescribed "class consciousness", this optic looks at culture understood as a dynamic hegemonic process of constant questioning, relativising and renegotiating the given set of power relations via the toolkit of everyday politics. Hegemony and class in the Gramscian sense "amount to a radical deinstitutionalizing and dynamizing of the concept of power [which is] embodied in the

specific interdependencies between sets of people as described by the concept of class, and derives its direction and impact therefrom" (Kalb 1997:21).

Kate Crehan (2002) gives a clear outline of productively integrating Gramsci (1992) into anthropological methodology. While traditional anthropology was aimed at othering of cultures, which were perceived as homogeneous and isolated, Gramscian perspective implies contradictions which are always present, and at the same time embeddedness in a larger context. The most important question becomes the question of power, and consequently, of class and hegemony. Subaltern culture is viewed as work of relations of subordination. Gavin Smith, introducing the perspective of "historical realism", goes along the same line, calling to "tramp the muddy boots of experience across the patterned carpet of system" (Smith 1999:15). William Roseberry convincingly shows the relevance of the notion of hegemony which is a "complex unity of coercion and consent in situations of domination" (Roseberry 1995:358). It allows for action and confrontation, but within the specific set of institutions and through specific set of channels – which is why resistance to domination turns out to be "shaped by the process of domination itself".

Studying workplace relations through this lens is especially promising, since it was Gramsci himself, in "Americanism and Fordism", who first used the notion of hegemony to make sense of the shopfloor power dynamics and connect it to wider contexts. He saw Taylorism and Fordism as "passive revolution" performed by the capitalist class, constructing new subjects and coopting them into a new "historical block" which rewrites the relations both in the spheres of consumption and production. According to Cucu (forthcoming), the notion of hegemony grasps "the relationship between the shopfloor and the social fabric in which it was embedded". Looking at the history of attempts to taylorise workplace in the Soviet Union and release "hidden productivity reserves", we will get the context in which to put field observations from

a workplace in today's Ukraine and interpret seemingly meaningless anecdotes as manifestations of continuing hegemonic struggle for meaning, power, and resources. In turn, these micro struggles will allow us to make better sense of macro processes with which they are dialectically connected.

Chapter 2 - From Stalin to Brezhnev: The Making of Soviet Trade Unions

The history of Soviet relations of and in production begins with the birth of the new Stalinist working class in mid-thirties, recruited from politically submissive peasantry, conditioned by the paternalist social contract with the party-state, and having its own political culture and work ethics (Filtzer 1986). Trade unions, which used to be the watchdogs of workers' economic rights in the 1920s, gradually lost this function. Instead, they focused on the role of the aide to the factory management, solving issues of labour productivity and motivation.

The classic Soviet model of management comprised a *troika* of the administration, the party cell and the union. Stalin's "Great Break" undermined this triad with its drive for *edinonachalie* (one-man management) so much that it mutated into a "*dvoika*" (twosome) of the director and the party cell secretary (Lampert 1979:66–67). Simultaneously, the union leadership lost its weight on the national scale, and never regained it.

Section 2.1 - Consolidation of the Stalinist System

The aim of Stalin's reforms lay in raising dramatically the amount of absolute surplus product extracted from workers at low cost. Stakhanovism and other similar movements were obsessed with discovering "hidden productivity reserves" to defy "bourgeois" norms and regulations developed by Taylorist scientists. Targeting "bureaucrats" in the factory management, the party made a bet on the grassroot enthusiasm fed by the cult of privileged hero labourers matched in the deeply unequal system of material incentives. This was combined with ever more Draconian workplace regulations, which culminated in criminalising tardiness and outlawing voluntary quitting job. And yet, despite all the incentives and repressions, Stalinist productivity

drives were quickly forgotten, never able to become sustainable elements of the hegemonic landscape (Siegelbaum 1990).

These efforts were sabotaged by the informal coalition of factory directors and workers whose interests in the command administrative economy were contrary to the productivity-related tasks set by the party-state. In the words of Simon Clarke:

The centralised control and allocation of the surplus product in the hands of an unproductive ruling stratum meant that the producers had an interest not in maximising but in minimising the surplus that they produced. Since neither the worker, nor the enterprise, nor the association, nor even the ministry, had any rights to the surplus produced they could only reliably expand the resources at their disposal by inflating their production costs, and could only protect themselves from the exactions of the ruling stratum by concealing their productive potential (Clarke 1993b:26).

A director's primary interest lay in fulfilling (or, better yet, slightly over-fulfilling) the plan. While doing this, he should insure the factory against any unexpected delays of necessary supplies. In the chaotic environment of competition for resources (Fitzpatrick 2008), which were in constant deficit (including workforce), this meant the need to hoard them, maximising officially required inputs and minimising negotiated output benchmarks.

What is more, the director needed to ensure cooperation of workforce. Taylorist methods of production were never completely introduced in Soviet factories, and workers maintained autonomous control over their work process, being able to withhold effort at will and restrict production. This leverage developed into the tool of a perverted class struggle: in an environment where every collective action was severely repressed, workers could quietly sabotage the director's efforts and thus jeopardise his career. To prevent this, the latter had to make significant informal concessions to workers, provided that they would be prepared to invest extra energy when pressed (e.g. work overtime at the end of the month after the long-awaited materials finally arrive). Incentives to conclude this "plan-fulfilment pact" were so

great that directors successfully sabotaged repressive measures against workers imposed by the party (Filtzer 1986:67–68).

Such was the Stalinist system of industrial relations, in which workers were officially extremely weak and downtrodden but at the same time commanded substantial informal power to force concessions out of management. The latter was interested in restricting production and rewarding their workforce, while the state tried unsuccessfully to raise productivity by repressive methods.

Section 2.2 – Unions after Stalin

Successors to Stalin understood the urgent need for the transition from extensive to intensive economic development path. Khrushchev came up with a series of reforms aimed at raising productivity and intensity of labour. Among other goals, they involved strengthening trade unions which were supposed to serve as the government's tool for raising workers' morale, stimulating grassroot initiative for innovations, introducing competition among the workforce, and goading management onto the productivity track (Clarke and Fairbrother 1993b:98). Simultaneously, Khrushchev attempted to impose stricter discipline upon the workforce: early 1964 saw a campaign to introduce a labour passport (Filtzer 1992:56).

Neither of these aims were reached. The leverage in the hands of workers became much stronger since 1956, when they were allowed to leave the factory upon two weeks' notice¹. This led to the deterioration of the management's negotiating positions in the context of tight labour market: a skilled worker could threaten the foreman with leaving the enterprise and demand considerable concessions.

¹ This was a necessary part of the liberalisation campaign, even though it contradicted the aims stated above.

Trade unions failed to break the collusive relationship between management and workers. Instead, the union became part and parcel of the administration, re-gaining its place in the "troika". Its commitments to the factory administration (stabilisation and ensuring harmonious coexistence between workers and management) gained priority over the tasks set by the party-state (destabilising the situation, pitting workers and management against each other). "The careers of union officials depended more on their superiors in the branch and regional union administrations, on their relationship with factory directors and ministerial officials, on factory, and perhaps on regional or local party bosses than on the workers. Ultimately, this determined their actions" (Connor 1991:212). A union position was often regarded as an intermediate career stage between technical worker and member of administrative staff, and it was factory management who held keys to the subsequent career growth. The management used this leverage to incorporate unions in the plan-fulfilment pact.

That is not to say that unions were completely useless for workers. They did often support disgruntled workers, but their help was provided on a personalised basis. As in earlier times, collective claims by workers amounted to an emergency situation, something the union ought to suppress and pacify rather than encourage and support. Still, whenever an individual worker felt she was wronged, she could appeal to the head of her union cell who would earnestly (and often successfully) defend her cause before the administration.

Another function of trade unions, which grew in importance over time, lay in the distribution of material goods and social services. The state chose to distribute the growing national income through this channel, confirming the enterprise as one of the most important social institutions in the Soviet Union, much more than simply a place where people produce things and receive wages.

Brezhnev's era, due to its longevity and prosperity, became a formative experience for those who entered the labour market in that period (this is true for 36.6% of Ukraine's current population) and an important reference point for the subsequent generations, providing a model for industrial relations long after Brezhnev's death. Therefore it is worthwhile to look at some aspects of that social contract in more detail.

Section 2.3 - Divisions and Protests

Soviet workforce was not homogeneous; one of the important divisions ran between "core" workers, performing essential functions at the factory, and "auxiliary" workforce: cleaners, storekeepers, movers etc. The latter, not being deficit goods on the labour market, did not enjoy all the features of the typical set of informal agreements with the bosses. The factory regime for them was much more despotic - they were controlled more closely and paid less². This division was gendered: more often than not, underpaid and physically demanding "auxiliary" jobs were performed by women.

"Core" jobs in textile, food and other industries notorious for low pay and high intensity of labour over conveyor belts, were also feminised³ (Filtzer 1992:177–208). Women employed in food and light industry were less likely to strike or protest than men working in heavy industry and construction sector: the lack of informal leverages at the taylorised workplace made it useless to fight overtly. Instead, they made use of their access to material resources at the workplace: "theft of food and goods is a way of supplementing the wage-versus-needs gap, and more effective than strikes" (Connor 1991:217).

² Curiously, their workplaces were severely undermechanised: Soviet managers found it easier to employ large numbers of underpaid loaders or packers than to automate their functions.

³ This, of course, was supplemented by housework, which was particularly undermechanised and still widely believed to be solely woman's task.

Even among male workers, strike was always an emergency situation. In the absence of any legal mentions of strike, it came to be a synonym for a riot – and was treated as such by all concerned. A standard algorithm was, first of all, to make sure the strike is dictated by purely economic motives and limited to one factory. In that case, the state normally satisfied the strikers' immediate demands, then disciplined responsible managers. Some time later, it would quietly penalise strike leaders in one way or another.

Normally, workers protested against the worsening situation, not demanding improvements: "The strike [...] could not play the role of improving 'normal' conditions beyond what policy and performance in the economy allowed [...] Defense against erosion, not advance, is the keynote" (Connor 1991:220). *Pace* Beverly Silver, these "Polanyi-type" protests cannot be tied to economic growth cycles; the key here lies rather in the workplace hegemonic setting where the bosses deliver as many goods as is objectively possible, and workers realise that. The latter trust the management in the matters of improving the situation but will not tolerate any deterioration.

Section 2.4 - Negative Control and Displaced Class Conflict

The central place in the hegemonic configuration at the Soviet workplace belongs to the worker's "negative control" over the production process. Instead of investing in Taylorist automation and introducing a "scientific organisation of labour" to ensure raising productivity (something which was being declared officially all the time), managers found it best to leave the immediate control over production in the hands of the workers, as long as they met negotiated production targets in time.

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⁴ It was negative in the sense that instead of overturning the hierarchical system of domination and control at the workplace and installing horizontal processes of democratic participation and self-governance, as the term "worker's control" implies, the worker simply sabotaged the existing system in various informal ways.

The clandestine collusion between workers and line management, as opposed to the higher layers of management, became the basis for the established hegemonic consensus at a Soviet workplace. Trade unions came to be the embodiment of the authoritarian disciplinary and ideological drive from above, while the foreman became a trusted protector of workers' interests. Surveys showed an extremely low level of workers' confidence in their unions, combined with a very high confidence in their line managers (Clarke and Fairbrother 1993b:114). Small wonder, since the negative control "rendered the poorly performed general 'defence' functions of the unions less relevant" (Connor 1991:209). The legitimacy of foremen who attempted to play by the officially prescribed rules was severely undermined; "a foreman can only be regarded as a lackey if he performs according to orders from above" (Ticktin 1992:97). Conversely, managers were reluctant to discipline workers who break official rules, instead trying to cover them up, but they were willing to penalise those who transgress informal rules (Lampert 1985:69).



Figure 1. Late Soviet satire about workers obtaining alcohol supposedly for cleaning details (propagandahistory.ru).

These factory-floor bargains defying disciplinary pressure from above, were re-confirmed after Stalin's death, survived Khrushchev's productivity campaigns and became an indisputable social norm in Brezhnev's years of lax discipline and moonlighting. The decision to introduce worker brigades instead of "taylorising" production lines in the late 1970s "made shopfloor autonomy *de jure*" (Andrle 1996:252).

Lacking possibilities of overt collective protest, workers made use of the "weapons of the weak" available to them: alcohol, slacking, absenteeism, pilfering, changing of jobs. Interestingly, this essential element of Stalinist industrial culture was correctly predicted by Yevgeniy Preobrazhenskiy in his analysis of NEP. Noting that the new economy eliminated competition and profitability as main productivity drives, he looked for the new ones – and found them in the working-class pressure from below:

From this point of view, not only the non-party workers' pressure on trade unions and the unions' pressure on the economic bodies and the state is the paramount part of this mechanism of the new economy, but also the spontaneous pressure by workers, up to and including the so-called *volynkas*⁵, partly plays the same role. Here, our system, partly in a conscious and organised manner, partly spontaneously, feels about in its own midst for regulators which should substitute the stimuli of competitive capitalist struggle and perform the same functions but in other ways (Preobrazhenskiy 2008:237).

With "conscious and organised" channels closed off since the early 1930s, "spontaneous" grassroot sabotage remained the only regulating mechanism.

This system turned out to be consistent enough for successful replication in other Stalinist societies after the Second World War. Andrew Walder (1986) accurately reconstructed it from interviews with Chinese emigrants in the 1980s, while recent studies confirm that "weapons of the weak" remain principal tools of workers' struggle in the old "socialist" factories of China (Lee 2007; Li 2015).

Class conflict between workers and management, therefore, was displaced onto a higher level, taking the form of conflict between different factions of the management over the distribution of resources via networks of patronage and dependence. The interests of workers were represented by their line managers in front of their bosses, or taken up by the general director confronting even higher authorities. Simon Clarke conceptualises this as "essentially a

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⁵ Volynka can be roughly translated as foot-dragging, or dawdling.

bureaucratic-paternalist system of conflict resolution, based on the exclusion of any forms of independent worker representation" (Clarke 1993b:27).

Section 2.5 – Collective Labourer Representation

Just as the enterprise was an important social institution in the USSR, responsible not only for employment, but also for distributing welfare and providing social and physical infrastructure, so the labour collective came to be a fetishised social unit. It reigned over each worker's own labour activity, "in a sense the state-socialist equivalent of the capitalist alienation of labour in the fetishised form of the commodity" (Clarke 1993b:25). In the ideological representation, the needs of labour collective were primary to those of production process; in reality, it is production which required expanded reproduction of the collective labourer as an object of exploitation.

The ideological fiction of labour collective substituted genuine collective organisation of workers. It was also used in the displaced class conflict between various factions of bureaucracy: subordinate layers harnessed popular discontent and made claims on behalf of the labour collective in their struggle against the state for greater independence or increased financing. Importantly, the labour collective was personified by the factory's director.

Being unable to separate fully workers from means of production and subsistence, bureaucracy had little choice but to hire as many workers as possible, since unemployed workers represented a pure waste of resources. Factory management converted this circumstance into their personal political leverage.

Unique relations of production in the Soviet Union gave birth to no less peculiar relations in production, in which interests of the factory management colluded with those of workers in a

"plan fulfilment pact". The former depended on the latter because of the "negative control" exercised by key groups of workforce which were not taylorised. Weapons of the weak and individual strategies instead of open collective conflicts, as well as labour hoarding by management, allowed to maintain the objective illusion of a homogeneous labour collective represented by the factory's director. The enterprise was endowed with multiple social functions beyond its immediate production-related tasks, and larger part of these functions was managed by the trade union. All generations of Soviet leadership repeatedly tried to dismantle this system and failed (Cook 1992). How did it fare in the independent Ukraine with the law of value back in the game?

Chapter 3 – Love triangle: Patronage and lobbying in the state-unions alliance

In 1989, coal mines of Donbas became a hotbed of a massive strike wave which swept across all of the USSR and, according to many observers, dealt a decisive blow to the regime. Miners, who used to be the most privileged caste of the Soviet industrial working class, rebelled against austerity, quickly switching to the demands of political transformations. The regional⁶ trade union leader in Donetsk declared the strike illegal, but the local authorities tried to make use of the disturbance, adding their own grievances to the consolidated lists of strike committees' demands. Meanwhile, the management of the mines was able to dilute workers' criticism directed against them with their generalising critique of the state structures and politicians, successfully using the strike to lobby their case (Clarke and Fairbrother 1993a:131–34).

Four years later, in 1993, Donbas miners striked again. This time, the strike was quickly "headed" by Yukhym Zviagilskyi, director of one of the largest coal mines. He made the most out of the protests, leading the group of miners' representatives in Kiev and then becoming first vice prime minister of Ukraine (Borisov and Clarke 1994). In a sense, this strike was the formative event for the whole subsequent history of Ukraine: it confirmed the hegemonic alliance of industrial bureaucracy (so-called "red directors") with the state bureaucracy as the ruling social stratum, out of which the national bourgeoisie was to be born in the subsequent decades.

⁶ That is, dependent on higher levels of bureaucracy rather than on an enterprise director.



Figure 2. Striking miners' banner warning Zviagilskyi not to give empty pledges (Gennadiy Gordienko).

This chapter will take a closer look at the architecture and dynamism of this alliance which defined politico-economic landscape of the country, with special attention to the role of the high-level trade union bureaucracy. I will trace their main dilemmas and (class) survival strategies in the interaction with the state and the employers' representative body. I will also take a look at the latter's attempts to establish itself in the world of high-level patronage networks.

Section 3.1 - The Making of Corporatist Ukraine

The symbiosis between industrial and state bureaucracy affected the shape of the new state. Over 1992-1994, government spending on welfare, social security, education, and health dropped from 27.5% to 10.8% of the state budget⁷, while the state eagerly distributed money via "industrial" channels: "Instead of a modern welfare state [...] Ukraine now boasts its very own Ministry of Machine Building (i.e., rocket building) and the Defence Complex, which was taken over from the Soviet ministry of the same name", wrote one author about the outcomes of economic reforms in the 1990s (Harasymiw 2002:157–58).

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⁷ In 2016 the share amounted to 28%.

It is instructive to read the memoirs of a Ukrainian politician who was part of the delegation persuading Leonid Kuchma to head the government in 1993: he was the optimal figure as the director of a huge enterprise, having wide connections among industrial nomenklatura (Stetskiv 2016). Having become prime minister, and then president of Ukraine, Kuchma indeed created a corporatist state relying on patronage ties and informal agreements (Kubicek 2000).

Both views and actual policies of Ukrainian ruling class can hardly be called neoliberal; throughout all its independent history, Ukrainian government tried to tread very carefully along the path of liberal reforms. It had two goals: first, to avoid a "social explosion" and maintain its power base while restructuring the economy; second, to keep the economy protected from foreign competitors until the Ukrainian owner class becomes strong enough to face them (Bojcun 2015).

Where are trade unions in this story? We have seen how local factory unions entered into alliance with enterprise directors, maintaining corporatist hegemonic configurations at the factory level. This might make higher levels of union bureaucracy obsolete in the new environment, but instead of dying out they found themselves a new ecological niche.

In 1992, Ukrainian branch of VTsSPS rebranded itself as Federation of Trade Unions of Ukraine (FPU) and elected new leadership. Upon the insistence of the President Leonid Kravchuk, majority voted for Oleksandr Stoyan, Kravchuk's former advisor on social and labour issues. In the spring of 1994, when dissent against Stoyan started brewing in FPU, Kravchuk personally attended the federation's plenum to support his protégé. This paid off quickly: in that same year, FPU approved of Kravchuk's decision to cancel the referendum on the people's confidence in the president which had been the main aim of the striking Donbas miners, members of FPU (Kubicek 1995). Stoyan also declared that "trade unions of Ukraine

supported the President's request to retreat from strikes". A year later, he received the award "For achievements in social partnership" (Volynets 2015:114).

In other CEE countries, the state felt free to harass unions: in Hungary and Czechoslovakia, the governments were attempting to strip unions of their property (Kubicek 1995:238). In Ukraine, on the other hand, the state chose to give FPU a privileged position in the scheme of distribution of social insurance funds, meanwhile wisely leaving the issue of property unresolved. Two decades later, under the presidency of Viktor Yanukovych in 2011, the state prosecutor's office started a number of investigations into corrupt property schemes in FPU; this was happening simultaneously with the hugely unpopular pension reform, against which FPU was going to protest. As a result, the big protest on the day when the bill was to be voted in the parliament, was cancelled by FPU in the last minute. Later that year, FPU's head Vasyl Khara left his office. The federation's property was left untouched by the state.

The issue of property was the first to come up when my informants started discussing FPU. Unlike typical union federations in the West, FPU's national and regional level bureaucracy does not live on membership fees. To be more precise, these fees constitute only about half of their budget, the other half being income from the vast real estate institutional legacy. Most of the member organisations' money stays on the lower levels. This means two things: on the one hand, an individual union is not dependent on the central bureaucracy financially or in any other way except property: union spas and resorts controlled by FPU. On the other hand, the federation is dependent on the state's good will in terms of allowing it to keep its property.

In exchange for this dependency, FPU gets powerful voice in the social dialogue process. On 23 August 2016, the three sides of the dialogue signed the new general agreement. According to it, every draft bill proposed by the government and dealing with industrial and economic

⁸ The award was also given to Yevhen Marchuk, the prime minister of Ukraine at that time.

relations or social policy has to be reviewed and approved by the joint representative body of the unions, consisting of five federations but dominated by FPU. The head of the body (and FPU) takes part in government sessions. If he criticises a draft, it is either returned for redrafting, or the propositions are accepted immediately. One of the recent examples involved the draft bill on pre-school education: the unions changed it to make the normative working week of assistant nurses working with children with special needs as short (36 hours) as that of regular nurses. Oksana, the FPU clerk, says she doesn't know of any other country where a unions' representative takes part in government sessions. FPU people also regularly attend sessions of government committees for welfare policies, economic policy, and European integration.

Regarding collective bargaining on the lower level, Oksana draws distinction between four categories. The first one unites institutions of education, healthcare, and other sectors where wages are annually defined in the state budget. It is difficult to negotiate something besides that, though a rich city like Kyiv may agree to pay wage premiums to doctors and teachers or buy them presents for 8 March from the municipal budget. The second category comprises communal enterprises, owned by local councils who are not a party to sectoral agreements. Therefore, national-level bargaining is hardly relevant for them at all. Third category comprises enterprises fully or partially owned by the state. Financial plans of large enterprises with state ownership over 50% are approved by the government, and FPU has a say in the process: now they want to prohibit directors issuing themselves bonuses if the company has wage arrears. In the fourth category there are private enterprises which can have very different packages: anything from the bare minimum wage up to free lunches and overalls, seminars in Turkey and courses in Germany. Thus, in 2014, the average wage of a metallurgical worker there was over \$1500. But there, everything depends on the local union and its relations with the owner.

Upper levels of union bureaucracy feel that they are unwelcome and somehow illegitimate at privately-owned factories, even if the local union is their member organisation. The trade union at Kyivenergo was hardest to reach during my fieldwork; at one point, an officer of Kyiv energy workers' union exclaimed: "You will not be able to talk to them anyway! Don't you know this is private property now? Kyivenergo has been privatised, now it is owned by Akhmetov, and nobody will talk to you. This is all commercial secret now". Oksana confirms: "Our unions are autonomous and self-standing, we cannot tell them: go and raise hell against your employer. He will just say we are crazy". Having no formal obstacles to carrying out activities at privatised factories, union federations voluntarily withdraw from there.

In practice, FPU can only influence the state of affairs in the first and the third categories, and in both cases it does not need any grassroot activities at all – everything is solved on the upper levels, during talks with the government officials.

Section 3.2 – Radicalism, Words and Deeds

Sometimes, FPU takes steps towards conflict, but never burns bridges. On 14 April 2015, it initiated a collective industrial dispute against the government of Arseniy Yatseniuk (2014-2016), which had taken an uncharacteristically harsh stance against FPU's participation in decision-making⁹. In 2016, it held two big protest rallies: against utility tariffs hike and in favour of raising the minimum wage. The second rally exemplified FPU's policies of maintaining balance between radical rhetoric and meek actions.

On 1 November 2016, Kyiv union of educators – an FPU member organisation – took 20 thousand members to the streets, demanding to cancel the tariff hikes, raise wages, and

⁹ FPU put forward seven demands in the sphere of minimum wage, wage arrears, state inspections, welfare cuts, and financing of vacation vouchers. Almost all of them are satisfied today. Simultaneously, FPU initiated a dispute against the employers' representative body, demanding to liquidate wage arrears.

maintain students' stipends on par with the living wage. The union's leadership made sure that the protest did not disrupt the production process – it took place during school vacations. Simultaneously, in other cities students were blocking roads and collecting signatures in support of the demands. The leader of the union, Oleksandr Yatsun, had asked for solidarity from FPU – together, they could have organised a 50 thousand-strong rally – but they declined, citing their own minimum wage protest, planned on 17 November. The latter was soon postponed until 8 December: the leadership wanted to avoid the destabilising effect of their blending together with the protests of parliamentary opposition planned on the same date (Interfax Ukraine 2016). By the beginning of December, the state budget was already compiled, and the protest had no real goals. The teachers came to support it, but their numbers were much lower than on 1 November.

This ritualised behaviour is typical for other unions, too. On 16 October 2014, the union of National Academy of Sciences planned to stage a big protest against austerity. In the last moment, they were persuaded to give up the plan; the government raised the financing of science in the state budget for 2015. The raise was much smaller than demanded by the union, and the money was allocated to development, not wages. But the "compromise" was enough to cancel the protest. The same shadow deals take place every autumn.

Oksana explains this strategy:

If you constantly fight with your wife, eventually you will divorce. But if you agree on some things – labour division, family budget allocation – you will live together until old age. It is better to have bad social peace, and then piecemeal satisfaction of your demands. We started the conflict, and then we were just lucky that they changed Yatseniuk for Groysman and changed the government's policies. So when they don't listen to us, our policy is to start threatening, showing that we are strong, and taking people to protests. Once they heard us, we are open for dialogue and compromise.

Despite this obvious preference for peaceful lobbying, all FPU functionaries were offended to hear the title of my thesis. Reactions to the term "political quietude" stemmed from the sincere

lack of understanding to the righteous rage. "Why do you even coin this phrase? It is suspicious; are you acting on someone's political order? What kind of university are you in, anyway? Nobody is quiet here, everybody fights at their workplaces. Go ask students and workers who struggle for their stipends and wages whether they are quiet. We are not passive, not old and not Soviet!" - such was the retort from Yevhen Drapiatyi, deputy head of FPU responsible for PR.

Passivity, old age, and "Soviet" nature are indeed ubiquitous accusations against FPU. What else can one say about a structure which is ruled by a small clique of old bureaucrats and which posts news about folk choir competitions under the headline "Our struggle" on its website (See Figure 3)?



Figure 3. "Our Struggle" rubric at FPU's website

Oksana feels that the problem of FPU is its sclerotic leadership:

I've been working for over ten years here, and I don't know what to do with FPU. Well, I know but I will not tell you. It just has to be renovated, its leadership has to be rejuvenated, to get a second breath. The decision makers are... To change things, you have to make a political decision, but political decisions are made by the governing bodies and the congress. Do you know

when members of parliament will get rid of their immunity? Correct, never. Same thing here.

Yatsun, who lost the bid for FPU's presidency in 2016, represents the younger and more militant wing. He also talks about the Soviet legacy, the "need for new blood", and the lack of democracy (FPU's congress consists only of 600 people and does not include any primary cell leaders). He says the federation lost its chance to become the leader of Maidan protests when protesters occupied FPU's office: "People have entered the people's house, they needed food and heating, something that a union is supposed to provide; [the head of FPU Yuriy] Kulyk should have become a commandant of the building, but instead of joining the people, he even filed a lawsuit against them". At the same time, he acknowledges that unions are more successful on the fields of social dialogue and strike rather than street protests, against which the post-Maidan governments are "immunised".

Recently, general strike has become the topic of a series of public discussions and round tables set up by FPU: the idea is that the lack of a clear legal procedure of general strike prevents the federation from organising it. But the very insistence on legality tells a lot about the true level of FPU's radicalism. Yatsun also notes the lack of funds for a potential industrial action: instead of selling the property and centralising finances to create a huge strike fund, FPU prefers to live off the rent and allocate money to vacation vouchers and welfare distribution.

Section 3.3 - Patronage Networks

KVPU, the second largest union federation, has built its image on perceived radicalism. And yet, to a large extent this is just an image: Oksana has never seen a KVPU delegation larger than four people at joint union protests. KVPU has been criticising the draft of a new Labour Code for over a decade, citing it as the main threat to Ukrainian working class, but has never organised a single protest or strike against it. Partly this can be explained by the same factors as with FPU: decentralised finances and lack of mobilisation tools. And yet, KVPU, whose

membership base is concentrated in coal industry, is able to mobilise considerable number of members when the protest objectively plays into the hands of directors of state-owned mines and of Rinat Akhmetov, the owner of Ukraine's most profitable private coal mines (Autonomous Workers' Union 2015).

In practice, KVPU's strategy is based on skilful use of patronage networks rather than mobilising for open conflicts. In 2002, Yuliya Tymoshenko's newly formed party, Batkivschyna, offered KVPU a place on its list. Volynets was "delegated" to the parliament, where he used the vast MP's privileges to help the union business until 2012. "Now it's harder to struggle, when I'm not in the parliament anymore: anyone can harm you" - he complains that recently he was stopped by the police and fined for not having car insurance while he was hurrying to a striking collective. Today, he is widely believed to have developed clientelist relations with Akhmetov, but not only him. During a protest in July 2016, KVPU delegated two people to negotiate with the energy minister: Volynets and a fighter of the neo-Nazi regiment Azov by alias Dushman. It turned out that Volynets had invited Dushman to become his deputy, and the latter accepted the proposal. According to Volynets, Dushman's aggressive style helped the union gain concessions from the minister during the talks (Chernomorskaya teleradiokompaniya 2016).

Inner workings of KVPU are also based on patronage networks. Volynets recounts a case of an underground wildcat strike by five miners:

I got a midnight call from the first deputy minister of energy. He says: I'm asking you to please tell them to get out on the surface. We respect you and we promise that we will thoroughly deal with all the issues. I called the general director of the mine and asked him what the matter was. He explained the situation and swore to me: we will never touch your people again, it's such a pain in the neck. So I called the head of that

union, who knew me personally, and convinced him to tell those miners to get on the surface.

In such kind of relationship, when everything hinges on the leader's personal leverage, a lot of attention is paid to accumulating social and media capital. Volynets talks a lot about his connections with ILO and about his own media appearances – something completely irrelevant to the FPU informants. Volynets frankly acknowledges that KVPU is not built in the same way as union federations in other countries, where leadership changes regularly. He explains that his retirement will mean the end of the whole organisation: "In our case, if I leave my post, the government will only be too happy: we played on his weakness, the man broke and left. Because laws don't work here, we have criminal overseers ruling capital flows in the entire branches of the economy".

FPU works differently on the inside, but it has also been looking for an outside patron: during the last year, the federation established very warm relations with a populist politician Serhiy Kaplin, who has started calling himself a social democrat and publishing a newspaper called *Iskra*. FPU made him "the representative of unions in the parliament", and on the latest May Day they organised its own rally, chaired by Kaplin. This can indicate at failing mechanisms of bureaucratic legitimacy so far enjoyed by FPU.

Section 3.4 - Looking for Bourgeoisie

Ukrainian ruling class may have had the aim to transform itself into a national bourgeoisie, but this did not and probably could not happen the way it was conceived. What came about in the result was an extremely heterogeneous capitalist class, which can hardly be called a class-for-itself. On its top levels, there are oligarchs who not only control huge economic assets, sometimes possessing monopoly over the national market, but also own "shares" in the most important sections of government apparatus and parliament. Deep below, there are scores of

"businesspeople" whose level of self-exploitation can be greater than the level of exploitation at an average factory. As Yuriy Kuzovoy from FRU puts it, "There is no middle class of employers in Ukraine: it's either oligarchs or paupers selling stuff at the marketplace". For both of these categories, the state and its bureaucracy plays an utmost role: a tool of multiplying assets for the former, a disciplining and punishing machine for the latter.

The state plays the main part in the drama of social dialogue in Ukraine, it is the mediator and ultimate arbiter to which both unions and employers have to appeal. Far from the proverbial "committee for managing the common affairs of the bourgeoisie", the state possesses a much larger and more stable bureaucratic apparatus than either of the other two parties, and does not necessarily use its huge institutional capacities in the favour of the capitalist class as such. Far from it: when the state is essentially captured by certain business interests, it will hardly take into account the position of their competitors:

When the state wants to prove its point, it showcases a large owner from a particular sector. This owner may really represent some segment, but not all the employers. In agriculture, there are large traders who support total export of all raw materials like grain or wood. But there are manufacturers of furniture or oil who have opposite interests. The same is true for metallurgy vs iron ore exporters. The state makes use of this lack of unity by presenting its point as being in favour of all employers.

FRU may honestly intend to become the rallying point for representing the whole bourgeoisie, but on this arena it competes with two other federations; moreover, it does not help that until recently it was headed by Dmytro Firtash, one of the most powerful oligarchs. Initially, when Firtash was expanding his empire under the presidency of Viktor Yanukovych, this patronage was quite beneficial for the federation. But after the power context changed, the association with the oligarch became its bane. "Unfortunately, we are not perceived as the lobbyist of the whole business but as the structure of Firtash or someone else", says Kuzovoy.

What is even worse, almost no capitalists understand why they would need a body to represent them as a class. The right of your representative to sit at every government session may mean a lot to unions, or to hypothetical middle bourgeoisie; but it makes no sense to big business groups which might as well solve their issue directly and discreetly. For someone who, like Akhmetov, owns 30% of national electricity generation, it makes no sense to argue for production quotas and tariffs with fellow producers and consumers, only to sacrifice some interests in the end for the sake of compromise; it is much more productive to lobby appointment of your trusted person to head the regulating body. Persons of more modest means feel that investing in a seat in the parliament for themselves is a much better strategy than sending letters to a collective body which might be controlled by an oligarch anyway. Patronage networks on which oligarchic economy is built, prevents the bourgeoisie to build institutions and constitute itself as a class.

According to Kuzovoy, the absolute majority of employers does not know what an employers' organisation is: "When we ask them if they know of any employers' organisation, they say: yes, we know the state employment agency!" Paradoxically, this disorder in the opponent's ranks is bad for the unions as well: many union bureaucrats confess that they need an authoritative partner on the employers' side. Otherwise, the whole social dialogue continues to be a decoration hiding the hegemony of the weak state, controlling its "partners" via patronage links.

Chapter 4 – Metro and Beyond: Hegemony on a Micro-Level

The previous chapter treated corporatist connections and patronage on the macro level, providing perspective from above and outside. Now is the time to change optics and take a look from below and inside. Using ethnographic lens, I will trace the path dependencies, changes and adaptations of the Soviet hegemonic model of relations in production in today's Ukraine. To see the dynamics of the culture of work and protest most clearly, I will analyse the story of a small-scale workplace conflict and see what it tells us about the factory regime at a large Ukrainian enterprise. Upon indicating the contexts and concepts to which this case refers us, I will work with them to make sense of two important parts of the workplace hegemony: the legitimacy of the administration-union nexus and of the line management. I will use other, auxiliary cases to make my point clearer when needed.

Section 4.1 - Yegor's War

On a Sunday afternoon Yegor, a section foreman in one of the Kyiv metro's services, received a phone call from a worker who was sick and could not go on the night shift which was due to begin at 8 pm. He said he had got the necessary papers from a hospital, so Yegor called another worker and asked him to work this shift instead of the day shift on Monday. The Monday day shift was covered by Yegor himself. In some days, the sick colleague got well and showed up along with his medical papers. It turned out that the doctor had issued him the medical leave starting from Monday – that is, the four Sunday hours of his shift were not covered. Yegor asked the bosses, and they told him to mark that person as absent during these hours. Yegor refused to leave his subordinate without pay, as if he had not been actually ill.

After some collective discussion, he decided to change the work schedule retroactively so that the worker in question wouldn't have had to do that night shift in the first place. This is a common practice for that department: everyone has their schedule changed retrospectively on average once in a month. Sometimes it is done to accommodate the employee, sometimes to suit the needs of managers, but never according to the law. Officially, such a switch should be formally agreed upon with the upper-level management, the union, and the worker, but these complicated procedures are never observed. This time, when Yegor submitted the changed schedule, his boss emphatically refused to sign the document, citing the strictness of laws. Privately, he explained how it should have been done: Yegor should have not officially marked the worker sick at all, instead of that the guy should have informally worked those extra hours afterwards. "Maybe what I suggested was not exactly right, but his idea was completely off limits – it's a state enterprise after all, we have never had such things here. I said I would definitely not do this, you can do whatever you want to me".

Facing the refusal to comply, the head of the service, Chyvokunya, ordered Yegor to write a voluntary request for demotion from the foreman's position. "I wouldn't have minded leaving this position many times, but now I said no: try and demote me by yourself if you can. Because it is actually quite problematic to demote a person against their own will", explained the foreman. In the next few weeks his team was showered with various check-ups and inspections. Only one of them managed to find a small mistake made by a worker of the team. Normally, the person who made the mistake is stripped of the monthly bonus, their foreman loses 50% of his bonus, and the head of the distance loses 10% of his. This time, they only left Yegor without 100% of his bonus. A month later, the head of the service also issued him a formal reprimand for the incident with which the conflict had begun. A reprimand means that the employee loses his bonus and the service record for that month.

Meanwhile, Yegor was elected as the leader of the union cell. The former cell leader, Oleg, helped him write an official request for the head of the metro to reconsider the reprimand. Workers from Yegor's team also wrote a collective plea in defense of their foreman. These documents reached the metro's chief engineer who summoned a meeting to solve the case. The deputy head of the metro union organisation came late and delivered an accusatory speech against Yegor: he had been wrong and had to ask for forgiveness. The chief engineer concluded that Yegor intended well, "but the road to hell is paved with good intentions", so the punishment is correct. Afterwards, the workers who had signed the plea lost 100% of their bonuses as a result of yet another inspection, and Yegor received yet another reprimand. Oleg assisted Yegor in writing a very nice and well-grounded request to summon the commission on labour disputes (KTS). This was the first precedent of summoning a KTS in the metro: Yegor's case opened the commission's journal. Normally, nobody questions reprimands. "I was lucky that it consisted not only of our union bosses but also of the head of the free union. He's a big loud man to whom everybody listens. After the case was described, he asked: so what? What did he do wrong? Two days later, I got the news that the reprimand is to be cancelled", recounts Yegor. In their decision, KTS did not write that the service head had been wrong; instead, they put the blame on the records office which had made a technical mistake in the documents regarding the reprimand. Anyhow, the reprimand was cancelled, and Yegor got back his service record – although not the bonus.

After this decision, Yegor was summoned by the head of the distance – his immediate boss. He explained that Chyvokunya was not getting off his neck, insisting on further punishments against Yegor, and asked him to leave the foreman's position voluntarily. This time Yegor agreed to the politely formulated request from the reasonable people who had promoted him to this position in the first place. He made sure they would give the job to a good person and voluntarily downshifted to the position of a line mechanic. He also allowed his wife and co-

workers to talk him out of continuing the struggle for personal justice, although he continues to do his best as the union cell leader:

I realised that all this conflict is a bad influence on my health, my blood pressure got very high. So I agreed to forget about the three bonuses that I had lost unfairly. Now I feel much better, also physically. My schedule is fixed and ordered now, I can plan my days. Also, when I hear intercom conferences, I notice that the service head has changed: now he says 'please' and 'I kindly ask you'! I think that this is my influence.

This story contains many other stories: about specific ties between the union and the administration at a post-Soviet enterprise; about the legitimacy of the union which is based on welfare provision rather than on the protection of collective workers' interest; about the role of the foreman in the everyday workplace drama; about informal agreements as the fundamentals of the hegemonic landscape of the enterprise; about workforce stratification as the necessary background of this landscape. I will look at some of these contexts in the next two sections.

Section 4.2 - Shall I Rob My Mother? Patronage and Informality

Gramscian notion of hegemony is the key to understanding Yegor's story. Why did the conflict develop and end the way it did? Why did it even start in the first place, if all participants and witnesses to the story call it essentially silly?

According to Igor, Yegor's loyal team member, the conflict began earlier, when the team had to elect a delegate to the general conference of the metro's union. Chyvokunya, who had been heading the service for four months at that point, did not get the necessary votes. The event which should have confirmed his legitimacy as the service head, actually undermined it: "I saw the reaction of the chief engineer: he was bemused, like, wow, they are not rooting for you! Of course, he got angry afterwards". It was after this incident when someone heard Chyvokunya saying: "We will calm down Yegor, and if he continues jumping around, we'll fire him".

Formally, Chyvokunya does not actually belong to the same union organisation as members of this team; as a manager, he is in the union of the administration. But still, he had reasons to count on traditional loyal voting. Igor explains why this did not happen: "You could say that we were wrong, we provoked him with our actions. But once before that, we had a meeting of our distance's union cell, and Chyvokunya, being the service head, did not even show up. This is a disrespect!" That is, the workers felt that the new manager owed them some respect and attention beyond what is prescribed officially. When they did not get it, they deprived him of their (also informal) trust, symbolically denying his legitimacy. They hit a raw nerve: before joining the management, Chyvokunya used to head the service's union organisation. He had been a union activist, and expected continuing acknowledgement in this domain, but got none. Unlike him, Yegor was an undoubtedly legitimate boss in the eyes of his workers, and Chyvokunya decided to get rid of the competitor for popular sympathies under a different pretext, like the archetypal evil king from a fairytale.

Yegor was not the only popular boss – so was Oleg, the head of the local union cell, who was supporting him in the conflict with Chyvokunya. He was one of the delegates elected at the conference where Chyvokunya was left behind. He used the platform to request, on behalf of the workers who had delegated him, a radical wage raise. According to the collective agreement, the average size of metro employees' wage should be 20% higher than the average wage for Kyiv; however, during the last few years this has not been so – according to some calculations, it is even lower than the city average. Oleg suggested the doubling of the wages. This was a popular demand; many people knew it was going to be voiced. But it came as a surprise to the head of the metro, who made an annoyed comment that Oleg belongs to Ukrainian parliament, as the populist he is.

Officially, the management promised to look into the possibilities to raise wages. Unofficially, Chyvokunya summoned Oleg after the conference and told him that he would not work in the metro anymore. Later, Oleg saw the project of a disciplinary reprimand against him, but that wasn't the main problem. As a foreman, he was responsible for 70-odd million UAH (\$3m) worth of the company property:

I did not take a single bolt or a single cent during my years of work, but it's impossible to take account of everything, plus there are always irregularities in the accounting system. And this is a real chance to pick on me, when a reprimand will not be enough. Talking to me, the boss was sitting and studying the inventory report, which indicated the seriousness of the administration's intents.

Realising the risk of a criminal prosecution, Oleg hurriedly left the foreman's position. Soon afterwards, his term as the union cell leader ended; he agitated in favour of Yegor, who won the election.

Both Oleg and Yegor defend the union as such from the accusations of complete uselessness, explaining the various small matters in which it helps the workers. And yet, in both of their personal cases, the higher union leadership was in favour of punishing them. Oleg explains that in Yegor's case the union faced the dilemma: to condemn the actions of the head of the service, who is also the union member and has recently been a member of the union committee, or to condemn the foreman. They decided that the head of the service and the member of the union committee is closer to them than a random foreman. That is, corporate and personal loyalties play a much greater role than official instructions. This is also true for the lower level, unreachable for the union, where the chemistry between the foreman and the workers takes place.

As a foreman, Yegor feels personal responsibility for the dozen people he oversees: not so much for their productivity as for their well-being, becoming in practice their main protector and lobbyist. Whenever a worker makes a mistake, the foreman has to cover it up if only this

is possible, conceal the incident from the bosses – and then perhaps yell at the guilty worker in the privacy of the small team united by its own justice code. This is what is expected by all my informants, be they foremen or ordinary workers. The cost of refusal to play along these rules is lack of trust and cooperation; conversely, correct "team-oriented" behaviour pays back in the workers' commitment.

Whatever mistake happens, the boss tries to keep everything inside. A former boss used to scold his subordinates publicly in front of the administration – I think this was not a right thing to do. Another boss screamed at the managers that his workers cannot ever be wrong; but later he privately came up to the worker and reprimanded him informally. I consider this the golden rule of a leader: to solve everything inside the collective. You are responsible for your workers.

These are words of Maria, the employee of Kyivenergo. She was giving the interview on her only day-off, voluntarily working late evenings and Saturdays, not receiving any compensation for the overtime and not demanding any. Her all-female department at the head office consists of seven people, including the boss - "a playing coach, she does such an amount of job, despite her young age – 37 – she is very competent and hard-working". Currently, two of them are seriously ill: one undergoes cancer treatment, the other needs a surgery to change a hip joint. Before they became unavailable, the boss had volunteered to take an even slightly larger amount of work for the department, so now five people have to do the job of eight. Everyone considers this a natural thing to do, perceiving it as mutual help in the tightly knit collective of friends rather than as surrendering their free time and energy to the employer without compensation: "We don't have this when you're done with your work and don't care for the rest. We don't actually have the concept of 'your work'." For Maria, this is not a doom but a blessing: "Despite all the hardships, I really want to go to work every morning precisely because of the collective".

Yegor admits that the system of informal requests and obligations, spanning the workplace beneath the visible official regulations, is what makes the whole mechanism work properly. In a manner reminiscent of David Graeber's narrative, he recounts various examples of such relations:

There are cases when I need something: my daughter was born sooner than expected, so I asked to shift my vacation, and they said no problem. When someone fucks up their work, he can ask me, and I will cover everything up and correct it; I will say 'you owe me a cognac'. This all depends on specific people. If a person is an asshole, I will not cover for him. From the legal point of view, these relations are not perfect, but they ensure good atmosphere – something Americans call teambuilding. The main thing is that these favours are voluntary: you agree to do something on your own accord, and then the other person has no reason to refuse a favour to you.

The hegemonic power of such understandings is so strong that even when Igor catches the hated Chyvokunya's snitch drunk on the job and violating a host of regulations, he takes him off the job and writes a report but does not call the guards as he is officially supposed to do: he understands that if he takes the matter out of "the family", everybody will be severely punished, and does not want to escalate the conflict that much.

The function of these informal ties and commitments gets even clearer in the following story. Andreich, a retired foreman of a rail track maintenance team, remembers that in the 1980s they regularly marked off old sleepers, and it was a common practice for employees to take them officially for their personal needs. Once he was approached by the metro's chief accountant who asked for 60 sleepers for her summer house construction site. "Obviously, she wanted brand new ones, marked off as old, and I arranged it for her. She was very grateful, brought me a bottle of cognac. The same story happened later with someone else from the top brass. The service head eventually noticed this, summoned me and demanded explanations. I told him: don't you see, I am not giving the sleepers to some random fitter; it's all between us".

Half a year later, Andreich needed 90 sleepers for himself, to build a summer house for his parents in Moscow region. He obtained the permission to take marked off sleepers from the head of the service ("mind you, he was a first-class thief himself!"). With this permission, he loaded brand new sleepers into an empty truck which was about to leave for Moscow. Unluckily, the service head accidentally saw this truck and its contents. He summoned Andreich and started yelling at him, but he yelled back: "So I'm giving the chief accountant good sleepers, I'm giving everyone good ones, but I have to send crap to my own father and mother?" The boss did not find a counter-argument, and the conflict was resolved in Andreich's favour.

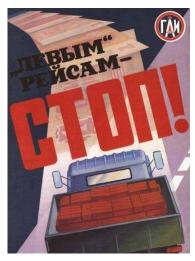


Figure 4. "Stop the Moonlighting Hauls!" - A poster designed by Soviet traffic police warns against activities which were normal for Andreich (http://tipolog.livejournal.com/78212.html).

Informal relations, thus, not only help ensure the smoothness of the production process – they also help construct non-evident hierarchies and exclusions, to be navigated and manipulated individually. Andreich's efforts were channelled into accommodating the top brass in order to gain the moral right to join them and reap the privileges which he had created for them in the first place. Having gained this insider's position, he also could use it for cunning lobbying in favour of his workers rather than explicitly staging a collective campaign. Yegor, on the other hand, failed to get in tune with the system in the beginning.

Andreich's anecdote not only shows the roots of the passivist behind-the-scenes hegemonic political culture, but also fleshes out Ticktinian theory about the inherent inefficiency and wastefulness of Soviet mode of capital accumulation. Andreich's friend Shatov, train driver and member of the free union, steals routinely: he takes out old rails, boards and all that he can find. Recently he confiscated a vintage landline phone, not in use anymore, to decorate his summer house interior: "We are monitored by the instructor who sits at the station. So I just tell her: don't look outside the window right now. And she doesn't look, understanding everything".



Figure 5. Late Soviet propaganda against pilfering portrays it very vividly (http://tipolog.livejournal.com/78212.html).

Train drivers are widely considered the elite section of the workforce: they receive the highest wages, and they are the membership base of the free union – a smaller "independent" organisation of KVPU. Earlier, train drivers used to be the leadership training unit: all the bosses were former train drivers. The former head of the free union was the metro head's friend. Now there are "bankers" in the leading positions, but train drivers are content with this, since their wages are actually higher. Constituting around 10% of the metro's workforce, train drivers are perceived as the main driving force behind every collective demand on behalf of the workers, due to their unique structural force. Station manager Luda admits that this is also true

for those train drivers who stay in the "official" union: "It is they who mostly appeal to the management and push us ahead: come on, why should we do all the job? Train drivers are the main motor, and therefore their interests are accounted for in the first place. If they don't drive, we might as well not work at all".

Stratification of the workforce is another well-known trait of the (post-)Soviet workplace hegemonic landscape: qualified workers controlling critical bottlenecks are in a much more privileged position than feminised workforce performing "auxiliary" tasks, often organised around Taylorist principles. Employees of the service D, which comprises station operators, cleaners, and station managers, and the service K, which unites cashiers, are almost completely female, the most numerous, low-paid and heavily controlled. The smallest mistake in keeping the station log or an insignificant breach of protocol (e.g. failing to spend 10 minutes between train arrivals on the platform in the freezing temperature) is punished by fines and reprimands.

Somewhat paradoxically, the burden of responsibility resting on the shoulders of "the girls" is much greater than that of train drivers. The latter only have to obey semaphore signals and traffic operator's orders. "Of course, if he missed the station by one car section, this is a mistake for which he will answer. But generally, train drivers are talented people who are able to drive in the tunnel while watching a movie, reading a book, listening to music – I saw all of that. Once I've seen a train driver eating a hamburger behind the wheel", recounts station operator Vera.

Corporate solidarity is an important factor here: a train driver once stopped the train so late that two front train cars ended up in the tunnel. The incident was reported by a station operator, but the driver claimed he had only missed one car door rather than two full cars. The station was not keeping CCTV recordings, and investigators believed the driver, giving in to the lobbying

efforts of his service leadership. The station operator, who was not defended by her service management, was played for a sucker.

According to Yegor's estimate, the density of informal relations is around ten times lower among "the girls" than in his service, factory regime there being closer to the "despotic" ideal type. Employees of the service D have to undergo regular check-ups in their free time; to get there in time, Vera has to leave her home at 6:30 am. She comes back home around 1 pm and leaves again at 6 pm for her night shift. Nobody compensates for this in any way. Commenting on this, Yegor conceptualises the difference in terms of gender stereotypes: "If the distance head asked us to come on a holiday, many people would simply say no: any time in the working hours, but not on my day off. But women have different way of thinking, they are more loyal. Their main tool is leaving the place: if you bugger me too much I will quit".

The question is whether there is an alternative employment option. "We don't protest because there is no other work", says Vera. All my informants were giving extremely ambiguous answers to the simple question whether a job at the metro is attractive today compared to other options. In short, it is, but it is not. On the one hand, it is still a stable official employment with some benefits; on the other, the benefits are distributed unevenly, and the turnover rate is very high: many newcomers leave the place after a couple of months, unhappy about pay and labour conditions. Oleg's wage is 8-9k UAH (\$300), which is a lot; this amount includes 12% overhead for special work conditions, 15% for academic degree, 18% for evening and night-time work, 15% for service record, 20% for the lack of violations. Various premiums constitute half of the payslip after 10-20 years of work, but newcomers don't have most of these things.

The majority of those who stay are inhabitants of villages and small towns surrounding Kyiv, who can benefit from lower living costs there. Besides, many of them own small land plots and

have other sources of income. Another strategy is finding a second job: according to Vera's husband Vova, a signalling engineer, every third male employee under 40 works elsewhere.

They do all kinds of stuff: someone assists instructors in a business school, helping them prepare for lectures; someone draws low amperage circuits at a design institute; someone works as electrician at a library; two people build furniture; two people are software engineers; another one is an electrician at a gas station; yet another one is a wireman at a factory. Someone works as an inspector at a chain of hardware stores. A male station operator, whose mother has cancer (the recent surgery costed 34k UAH), goes to a warehouse and packs boxes after a night shift in the metro. One guy had to become a part-time electrician in a kindergarten, just to be able to send his kid there.

The schedule allows for that: in many services, you are free after you have worked 6 hours. In other places, the 24-hour work shift is followed by 48-hour rest. But a second job is rarely an option for "the girls" from services D and K. In Hirschman's (2004) terms, they have to choose between loyalty and exit. The strategy of the less taylorised male workforce is situated between loyalty and voice, not exactly amounting to any of the two options but rather relying on undercover negotiations and unspoken agreements of the hegemonic factory regime.

Section 4.3 – Crammed Tram: Welfare Distribution

Moonlighting, theft, restriction of labour intensity and similar coping strategies are well-known tools to help maintain apparent loyalty at the workplace instead of exiting or raising voice. At the post-Soviet Ukrainian workplace, there is one more powerful fix – the labour union.

Both Yegor and Oleg recount various ways in which the union can be useful for workers, but the distribution of welfare goods and services remains the union's primary task for them as well as for literally every other informant. Luda praises the union highly because it gave her the chance to travel:

When we lost our children's summer camp because of the war, the union organised vacations in Bulgaria for us next year. So, the union works. We also have day trips around Ukraine. And lately we've been looking towards Europe; the last trip was to Hungary! We were also asking for Austria, but the exchange

rate has jumped, and so far we only go to Western Ukraine. At the last conference, the union leader of our service said that the only grievance from people here is that there are too few vacation vouchers – even though we get the most of them, as the most populous service.

Employees at less prominent positions complain that they are sidelined during the distribution of vacation vouchers – only bosses can actually go to Hungary. The least privileged criticise the union precisely because they don't get any material benefits out of their membership. When Vera came to work in the metro, she wasn't asked whether she wants to join the union – she had to fill in the form along with other compulsory documents. Both she and her husband pay 1% of their gross wages to the union, receiving nothing in return: "The union may be useful for people who have kids; people like us, who don't have children, don't get anything at all. Let's say they offer ten vacation vouchers to Zakarpattia, for three days; the union pays 90%, and you pay 1800 UAH. Does it really cost 18000 UAH [\$670] to go to Zakarpattia for three days? I doubt it. If I want to take my husband with me, he will have to pay the full cost". Vova confirms: "There is no feedback. Even an elephant, when you wave at him, learns to wave back with his trunk, but here you only give and receive nothing in return".

The bottom line is, the union is evaluated according to its welfare distribution capacities – vacation vouchers, material aid, New Year presents for kids. Its second most important function is to satisfy requests related to the organisation of work: installing water boilers, buying better overalls, designating a smoking area. And hardly anyone associates the union with struggle for collective workers' interests. This perception is so strong that the free union had to reluctantly start providing social services as well, facing the mounting demands from members. The same shift to traditional Soviet functions happened at other "independent" unions, too (Volynets 2015:199–206).

In the case of the metro, the free union still managed to survive because of structurally unique position of its main contingent, train drivers: they simultaneously possess strong leverage on

their living costs by moving to a village due to tighter work schedules. Therefore, they are more dependent on wage as their sole source of income, and more determined to fight for it collectively. During my fieldwork, around one hundred train drivers including Shatov participated in a pressure group demanding a wage raise. And yet, the free union shirked of taking the initiative in its hands: it was acting as "external consultant", afraid that otherwise, in case of a strike, the administration would sue the union and take away its spa resort.

At other enterprises, the distributionist hegemonic perception of a union left no chance to alternative structures. "We had perfect pocket unions, why bother creating independent ones?" - exclaims Valentina, who in 2002-2005 headed the labour and wages department of Kyiv confectionery factory Roshen.

Vasiliy, the union official at Kyivenergo, explains what makes a traditional union perfect: "Whenever I notice unrest brewing, I approach the management saying: we are about to receive a collective statement signed by 200-400 people, what are we going to do? My task is to make the general director come to the people and give a personal promise. The 5-10-15% raise will not save anyone but what is important is the process itself". Once, the general director could not promise anything and told Vasiliy to invent something. He went up and announced that wages will be raised on 1 April. "What if they will not?" - "Then I quit the job on 1 April". This was met with applause, but the general director was shocked. Upon making sure that Vasiliy was not bluffing, he did his utmost to raise wages in time. Similar Machiavellian tactics are also used by Yegor. A union leader should avoid open conflicts but be cunning in the art of intrigue.

After the collapse of the administrative-command system in 1989-1993, unions completed their transformation into "an arm of the enterprise administration, which now represents itself as the

sole defender of the workers' interests, while using the power and patronage of the union in the attempt to ensure that the workers themselves do not challenge this claim" (Clarke and Fairbrother 1993b:93). They often take up some workers' demands, using aggressive language or even actually staging protests – but most of such actions are performed in coordination with the enterprise administration, as part of its lobbying strategy directed at higher authorities.

Their task is to co-manage the enterprises which continue performing important functions of distribution and infrastructure maintenance, being not so much production units as feudal estates. Shedding these functions in the 1990s, as it was done in CEE, was not feasible in Ukraine: "Aside from the considerable weight exercised by the industrialist lobby and the vague if real fear of a 'social explosion', the major obstacle to the realization of this scenario remains the absence of visible substitutes for the enterprises now supplying vital services to a large part, perhaps a majority, of the population" (Siegelbaum and Walkowitz 1995:84). Cutting credits and subsidies to these uncompetitive enterprises and forcing them into bankruptcy would not simply mean unemployment but also lack of access to housing, healthcare, kindergartens, and some vital consumer goods.

Conversely, the enterprises themselves also did all they could to continue production and avoid layoffs. Directors would slash investment programmes, save on maintenance, safety and training expenses, stop paying taxes, debts, and wages, operating at a loss, but what mattered to them above all was maintaining cash flow and supplies. This was their only hope to save "labour collectives", their main assets in the struggle for survival. Rather than trying to restructure relations in production, managers were busy preserving the old system (Clarke 1993a:235). For this, they had to keep hoarding the workforce and delivering various non-wage benefits to it. These are the basic conditions of hegemonic domination of administration-union nexus.

According to a recent survey, guarantee of employment is by far the most important value for all categories of Ukrainian working class respondents, from the most timid to the most combative. The fear of getting fired or transferred to part-time employment is a more powerful driver than a desire for better working conditions or higher wages. The most frequently mentioned violations of workers' rights have to do with wage arrears (45%) and theft of severance pay in the case of firing (36%). That is, workers mostly feel their rights are broken when the employer unilaterally violates the unwritten hegemonic social contract. Even in that case, only 12% are ready to fight for their rights; 51% think that talks with management are the most efficient form of collective action to protect labour rights (Petrushina 2016:70–72).

Wage arrears have been the most contentious issue: they accounted for 45% of workers' mobilisation during the pre-Maidan period of 2013. Another important topic which sprang up in 2013 was the closure of factories (Dutchak 2016:95). Both topics are defensive: in both cases, protesting workers are trying to protect the existing social contract with "the bosses" rather than renegotiate it in their own favour.

The union acts as a safety stop, preventing management from making steps which will be perceived as an attack at the hegemonic social contract. When a new Kyiv mayor appointed his fellow banker to head the metro in the late 2000s, he tried to cut annual vacation length from 31 to 24 days, the legal minimum. The union, normally quite complacent, did not allow this to happen. At Kyivenergo, despite the privatisation, the length of Maria's vacation is 32 days. The union there organises cheap tours, provides presents for kids, tickets to concerts, material aid to sick workers, cheap loans. In the hungry 1990s, management compensated workers for their electricity bills, and in the autumn they received money to buy vegetables. Various non-wage forms of compensation elsewhere span from the construction of a new high-rise specifically

for employees of the metro and for metro construction workers, to subsidised lunches at Roshen, for which Valentina's husband pays less than \$0.5.

"Kyivenergo has always been like a crammed tram: it is hard to get into it but once you're in, it's impossible to get out", says Maria. The same is true for both Roshen and metro: in all cases, it is almost impossible to imagine the administration firing a worker. In the metro, rumours abound of the coming automation of cash desks. And yet, most of my informants think this does not imply a threat to cashiers' employment. There is actually a deficit of cashiers in the metro now because of earlier preparations for the automation: the service K simply stopped hiring for a while. When the automation becomes a reality, they will do so again, cashiers will drop out naturally because of high turnover, and the most loyal will be offered other positions. The same happened before, when the management outsourced cleaning at some stations to a private company: no cleaners were fired at all, they were all transferred to other stations.

At all three companies, workers estimate the lack of wage arrears very highly. In 2016, Kyivenergo's bank accounts were arrested, but the wages were only two days late: according to rumours, Rinat Akhmetov paid them from his own pocket. Normally, the payday is sacrosanct. Another point of pride, especially for the privatised companies, is full compliance with all legislation: Valentina always got overtime payments, and every procedure of the complicated firing process was solemnly observed. Besides that, Roshen management has been always paying wages two or three times higher than the Kyiv average: today, the net wage income of a 5 grade machine operator amounts to \$670.

The hegemonic social contract concluded at such enterprises, thus, acknowledged workers' rights to jobs and non-wage benefits. In exchange for that, workers have been expected to abstain from disrupting social peace and production process and at least passively solidarise with the management. The union mediates these relations, acting as a guarantor of the pact.

The introduction and conclusion are closely related to each other, thus you should take care in drafting and revising to ensure that these parts reflect and do not contradict one another. The conclusion should provide answers or solutions – to the extent this is possible – to the questions or problems raised in the introduction. The achievements of the thesis should be summarised briefly, and the writer's main argument or findings restated clearly, without going into detail. The conclusion will normally be expected to return to the wider context from which the thesis departed in the introduction and place the findings in this context. The writer should also elaborate on the implications of the findings. Suggestions may be made for further research where appropriate, but this is not a requirement. It may be that some disciplines require a different approach to this part of the thesis. In such cases the discipline specific guidelines should overrule these guidelines.

Chapter 5: Floating Along the Waterline: New Trends

Trying to explain the dynamic equilibrium of workplace hegemony in the metro, Vova used a metaphor from high school physics: "According to Archimedes' principle, there is the buoyant force which pushes an object upwards, and the gravitational force pushing it downwards. They interact constantly, and so we are floating along the waterline, on the same level". The disciplining pressure from above meets the counteracting forces from below, and the resultant vector defines the general course. But the pressure from either direction cannot remain on the same level indefinitely, and the system is not isolated from all kinds of external factors. In the following chapter, I will try and trace trends which are slowly changing the equilibrium of the forces described above. What is changing on every level, how do the transformations on different levels affect each other, and what does this mean for the hegemonic system as a whole?

Section 5.1 - The Netherworld

Trying to find a personal scale to measure the evolution of the Soviet and post-Soviet workplace hegemony in Ukraine, we can relate it to Andreich's career. A 22 year-old alumnus of a vocational college for railway workers in Moscow, he arrived in Kyiv in 1977, when Brezhnev's social contract was in its prime, to find and marry the girl he had met on vacation, and spent next three decades working in the railway maintenance service of Kyiv metro. During these decades, he became an organic part of the post-Stalinist workplace hegemony, masterfully using the tools it gave him for personal survival and ensuring the optimal efficiency of the work process. In the 1990s, at the nadir of economic crisis, he had to leave the job and the family and take a temporary work at a construction site in Moscow. But later he returned to metro and continued working there until he reached 55 years. As an underground worker on

the night shifts, he had the right to retire at this age, but he also had the opportunity to continue working, receiving both wage and pension at the same time. His bosses actually begged him to stay, but he resolutely refused, making his birthday the last day at work. What conditioned this choice?

According to Andreich and his friend Ira, working conditions started changing drastically in late 2000s – right before Andreich reached his retirement age. The main difference, as they describe it, lies precisely in the level of autonomy of the production process and "negative control". Before 2009-2010, there was little control from the above, the main thing being the result of the work; afterwards, control has been getting stricter. Workers have to deal with the increasing burden of formal responsibility for every small aspect of the work process, they are required to sign papers for every little thing.

Bureaucratic mechanisms of control are not the only ones in use. Turnstiles, CCTVs and other new-fangled equipment helps raise the efficiency of disciplining functions to the unseen levels. They are a relatively new thing in the metro, where people still complain about them, but not at private companies like Kyivenergo and Roshen. This goes well along with the data from a recent survey of automation at extractive and metallurgical enterprises (Dutchak and Gladun 2017): there are no cases of full automation of production process, and contrary to the popular beliefs, workers are not afraid of machines replacing them anyway – as a rule, in such cases they are transferred to other positions rather than made redundant. But automation of control is a much more powerful trend: CCTVs, turnstiles, e-cards, breathalysers, fingerprint scanners cost much cheaper than investing into production-related innovations. At one factory, management rebuilt the space according to the classic principle of panopticon 10. The authors

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¹⁰ Incidentally, the two very first panopticon factories designed by Jeremy Bentham were built in what now is Belarus and Ukraine.

of the survey noted a falling level of satisfaction with the job and a growing unarticulated conflict over the new machinery.

These changes, therefore, cannot be called Taylorist in the proper sense of the word: what is being automated is control rather than production. Neither can we say that the informal hegemony is being replaced with explicit rules and Weberian rational bureaucracy. Rather, automation and paperwork are used to bend this informality to the sole favour of administration, abandoning its traditional *do ut des* principles. Vera explains how it works:

Some station masters simply distribute their work between their subordinates, so that you have to do all your job plus twenty tasks from the station master. These errands are not in your job description but you cannot refuse to do what you are told, because you will be held responsible in the end anyway. You often have to write "explanations", describing details of the incident, and if something serious happens, you will be assigned the blame along with the station master.

The multiplicity of rules and instructions, often mutually contradictory, introduces yet another tool of informal control rather than formalises it. The management understands that if everybody worked to rules, this would amount to an Italian strike, but it can always find fault in a worker's performance when it needs to punish her. "The first question is always: according to which rule were you working? No, you had to use the other one", says Sasha, Vera's colleague. Vova adds to this: "Sometimes, you see that something doesn't work right, you repair it but then you are reprimanded for this because you did not act according to the instructions. This may have had no effect whatsoever on the result, but still you have to be punished for your lack of attention by 5-10% of the bonus. And the union emphatically confirms: yes, that is right!"

Yegor's story, after all, is also about bureaucratic control encroaching on the traditional informal hegemonic configuration. In several work spaces in the metro, I have met a drawing on which a man sits and happily watches the bonfire made of various reprimands, fines, bills,

and summons (see below). It was once found by Yegor somewhere, and his colleagues liked it so much that they copied it and placed at their workplaces.

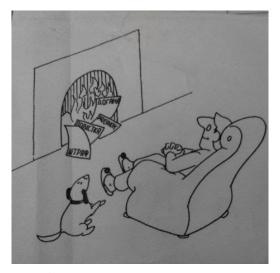


Figure 6. Bonfire of reprimands.

Station operators are entitled to two days off annually for medical screening. But Vera had to take unpaid leaves every time so far: the head of the distance simply does not countersign her requests for a paid leave, signed by the station master, because there are not enough people to work. The request is not approved, and the issue remains open; later, when the question becomes already burning, the distance head asks Vera indignantly: "Why didn't you talk to me personally, I would have solved everything!" She hasn't signed anything, so she is not responsible for whatever happens.

Understaffing is a powerful factor behind the new pressures: Luda, the station manager, cancelled the interview because she had to clean the snow around the station by herself on that day. This is not her task formally, but she only has one cleaner at her disposal, and it is her personal responsibility to ensure the smooth functioning of the station with whatever resources she has. In the 1990s, this was hardly imaginable. Similarly, Yegor and his colleagues have been recently made responsible for maintaining cleanliness in their rooms. He is not the cleaner, but it is he who will be held responsible for this before various commissions and inspections.

Management does not care about staff deficiency or other objective obstacles: "If we don't have enough people for four shifts, then we'll work three shifts" 11.

In the railway maintenance service, workers have to confirm the acceptance of materials by their signature. The materials may be of a lower quality or quantity than is written in the documents, but they have no choice: under threat of firing, workers are obliged to take responsibility according to the old norms, as if all the needed resources are in place, while in reality they are lacking. Earlier, you could steal as much as you want, and still you knew that there would be enough resources for the production purposes, recalls Andreich. Now, there is not much to steal in the first place: "Theoretically, I could take a pen, but we actually bring our own pens to work. Here is a cable, but it is written down that there are exactly five meters of it". Kostia tells about the wires he receives from the supply department: initially, they got the wire marked "Made in Italy". "Later, the wire only said 'Made for Italy', it was also not bad. After that, they gave us black wire, already oxidised and fragile, hardly usable. Who needs that?"

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¹¹ Many metro services switched from having many short shifts to fewer long ones in order to accommodate the growing proportion of workforce living in the suburbs and saving on the life cost.

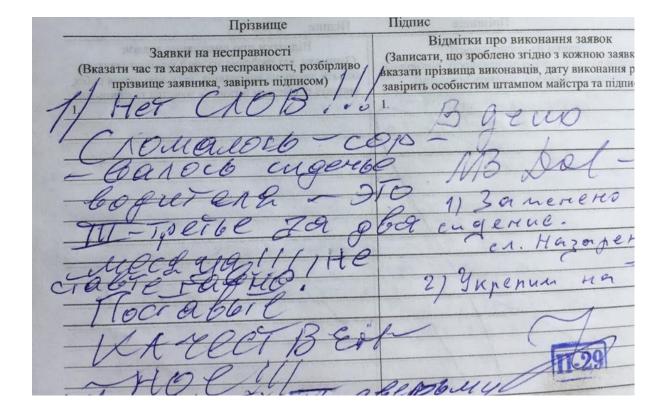


Figure 7. Breakage report by a trolleybus driver in Kyiv: "I'm lost for WORDS!!! Driver's seat broke and fell off - this is the third one for the last two months!!!! Don't install crap! Put a DECENT one!!!"

Just as informal obligations, theft has not disappeared, it only became centralised on the upper levels of workplace hierarchy. Resources (both materials and labour force) are now allocated towards satisfying private needs of the bosses. Ira's tale is illuminating: she was appointed to the position of tally clerk, and was doing her routine job according to the rules. After a while, she was suddenly told that her position was actually part-time, so in order to get a full-time salary she has to assume an additional job. She asked how this can be true if this job keeps her busy all day long; so they made her submit daily written reports about the work done. "I worked for two weeks in this mode and then went to my boss to have a talk. He asked me: 'Do you understand now that you were wrong? Did you want to go against the system?' I had no clue what he was talking about at all". After this talk, Ira was downgraded to the position of a technician – away from the money which has to be counted in a particular way.

Line managers, who hardly benefit from these schemes, instead bear the brunt of anticorruption efforts, which were redoubled after Maidan. In addition to her regular obligations
and extraordinary commitments like snow cleaning, Luda now has to check the number of
chairs and cupboards in the work spaces: if a commission finds an unaccounted for chair, she
can be accused of having received it as a gift from someone, which amounts to corruption, a
criminal offence. Tender procurements reduce expenses at the cost of time (needed to organise
the bidding) and quality (you have to choose whoever offers lowest price). Yegor remembered
that one of the former heads of the metro was accused of ordering new station doors from his
son-in-law's company. "This was corruption; but, as my friend said, at least he was changing
the doors!"

My informants are quick to indicate the reason for all these transformations: austerity policies, both on macro level and on the level of the enterprise. The lack of resources, caused by macro processes, undermines the hegemonic configuration on the very lowest level of the post-Soviet workplace, introducing disciplinary and bureaucratic pressure on workers who become more atomised and less willing to engage. Describing the microcosm of solidarity and mutual responsibility in her small collective, Maria characteristically treats it as a precious relic: "We still have that kind of old relationship".

Section 5.2 – The Enterprise

Decreasing interest in preserving the "labour collective" in the metro, even despite signs of understaffing, is the first sign of trends which have developed more fully at private companies. Both at Roshen and Kyivenergo the era of labour hoarding ended in 2000s. At Roshen, the decisive turn happened in 2007: before that, wages for the vast workforce were raised by 20% twice a year, in April and October. But the attempts to continue non-market management policies in the new environment defined by market competition, failed. Eventually, the labour

costs became unsustainable, and the owner moved the bulk of production lines to his hometown Vinnytsia, boasting cheap workforce and proximity to raw materials. In a very short time, the number of workers at the Kyiv factory fell from 3000 to 600. Today, it only produces crackers and some signature articles; auxiliary departments (except vital ones like the medical centre or mess hall) were also closed. The union was unable to influence these decisions.

Kyivenergo used to employ 16 thousand people, but today there are only 10 thousand left, and according to plans the workforce will be further cut to 8 thousand. The reduction is done at the cost of non-core assets which are closed in the course of reorganisation. Again, the union has no say in this gradual dismantling of classic quasi-feudal post-Soviet enterprise. Valentina also recounted how things went in UkrAuto, the car manufacturing corporation where she worked after quitting Roshen. The company, which had been kept afloat for the last two decades by subsidies and protectionist barriers, could not survive the trade war with Russia in 2013 and the economic slump of 2014. "Around that time, everything crashed. They moved everyone's wages into the black area, people now work for cash. I said to myself, I can't work like that, so I retired". In Marxist terms, the fetishism of "labour collectives" insured against firings and layoffs was a major obstacle to creating abstract labour without which market is impossible, and the enterprises thus were stuck in a non-capitalist form (Ticktin 2002:20). Now we are witnessing capitalist "normalisation", and it is only natural that profit-oriented private companies introduce it sooner than publicly owned and subsidised ones.

This transformation does not affect all workers in the same way. Everywhere, the workforce is stratified age-wise: the oldest cohort, having ten or less years until pension age, is most likely to be kept at the enterprise, least likely to protest, the most submissive and clinging to their job, whatever its conditions. The youngsters are most mobile and less involved into traditional hegemonic schemes.

Still, the young as well as the old expect the union to perform functions assigned to it in that hegemonic configuration: "Do I pay union membership fees? Yes I do, around 200 UAH monthly. Do I get anything from it? Well perhaps if I had been more insistent I could. But I think that our union does not keep up with its responsibilities. Recently, a Lisova station operator died. The union did not give a single cent to his family, while other employees chipped in". Austerity and "marketisation" undermines the base of the union's hegemonic role of a provider of non-wage benefits. This crisis of legitimacy is so frustrating to Vasiliy that he did not want to talk to me at all: "There are two options: either to raise a Spartacus' uprising or to lie and tell that everything is fine. You either don't understand what is going on in the country, or you do, and then why should we talk at all? They used to give resources to the union, now they don't. Unions are completely dependent on the owners, and the state does not need them anymore".

The other union's role, that of a mediator between workers and administration, is also challenged by the parallel structures introduced by the management of private companies. Kyivenergo has a hotline for workers having a conflict or an unresolved issue; the administration advises to call this phone number, but the union has nothing to do with it. At Roshen, each shop had a mailbox for feedback from workers: the letters were first read by the shop foreman, and if the issue was above his competence, he forwarded them to the director—not the union. Maria confirms this from the worker's perspective: "In the Soviet times, there was a triumvirate: trade union, administration, party cell. This *troika* decided on every matter. Today, it seems that the union does not play such an important role anymore".

The management does not exactly dismantle the corporatist setup but monopolises decisionmaking in it, gradually eliminating the union. Recently, a group of confectioners at Roshen who were not paid overtime, staged a protest: "Well they stood there for a while, poor souls, and then the bosses came and said everything will be fine. What can you do?"

This erosion of traditional workplace hegemony translates into anxiety among workers, who are less than enthusiastic about their jobs. Maria is haunted by a constant feeling of uncertainty because of never-ending reorganisations: "first they wanted to reform our department, split it into different territorial units; now there is the new bill on electricity market, and again we are not sure what will happen to us in the new conditions". Vova, the young metro engineer, recounts his talk with an older metro worker whom he met in the hospital: "He has been working here as a plumber for 20-30 years. When he found out I had also started working in the metro 2.5 years ago, he exclaimed: Run away! Run and don't think about it. I have only a couple of years left, but you can have a better life elsewhere".

Section 5.3 – Top Brass

The changes are also happening on the top level. Mykhailo, the head of Kyiv employers' federation (FRK), claims that things were very different before Maidan. He headed the federation in 2012 and made a good start by winning a lawsuit against the city hall which had raised the land tax. There were no comparable victories afterwards, and the territorial collective agreement was never implemented, but Mykhailo was able to use patronage system and media to protect his "clients": "I was a member of all important committees: tax service, ministry of emergency, municipality. I could come to the session and tell to the head of the service in front of people from the government, the media: your employee came and made the enterprise buy fire extinguishers from his shop where the price is four times as high". Maidan has broken this patronage system which relied on the strong "power vertical": "They think they are all so open now, everyone is on facebook. But facebook cannot help in a lawsuit. All the real mechanisms

and channels of influence have been cancelled. We used to meet regularly with the deputy mayor and the head of Kyiv's unions, discussing our issues. Now there is no dialogue".

Being essentially a patronage network, FRK loses its credibility and legitimacy when it cannot deliver. A communal enterprise actually tried to use FRK in the battle against a developer company affiliated with the mayor, which started building a shopping mall on its premises, but did not get any help. This story became well-known, and when Mykhailo forwarded the mayor's call for businesses to submit their complaints, he received zero feedback: they don't believe in the efficiency of this mechanism.

The same erosion of the legitimacy of "representative" bodies happens at the national level, too: FRU struggles to explain that it is not an employment agency, while FPU tries to embed itself in a patronage system involving populist personalities and movements (see Chapter 3).

The interplay between different levels sometimes yields unexpected outcomes. In the end of 2016, Ukrainian government raised the minimum wage by 100%, to the dismay of FRU and triumph of FPU. In practice, this hardly affected small and mid-size private companies, used to functioning in the shadow economy, but all large enterprises had to adapt. Most of them performed a relatively simple procedure: they increased the "constant" part of a worker's income at the expense of bonuses and other flexible components. Thus, the share of bonus in the income of metro workers is now being gradually reduced from 30% to 10%. On the one hand, this means that despite the triumphant declarations, there was no real wage raise; on the other hand, the management has to give up the important tool of discipline and punishment, the flexible bonus. The administration is voluntarily doing something which is the objective of the hard struggle of unions in Russia.

On every level, we can see the slow dismantling of the post-Soviet hegemony which ensured relative social stability for the last two decades. The corporatist setup built in the early 1990s was made possible by the availability of resources accumulated in the Soviet times, both physical, capital, and institutional. These resources allowed enterprise administrations and the state to maintain their legitimacy by subsidising the working class, constraining its self-organised activity by the vast network of corporatist commitments. Today, the old resources are being depleted, and the new ones are not there to replace them. This means that a new hegemonic formula for the coexistence of the workers and the ruling class is in the making.

Conclusion

Looking back at the experience of Maidan mobilisation, where nationalist movements gained hegemony (Ishchenko 2016) and managed to marginalise socio-economic agenda despite their small numbers, and taking into account the regime evolution in the neighbouring Hungary and Poland, one could tentatively contemplate two possible scenarios for the nearest decade: gradual consolidation of an austerity-minded populist regime or continuing slow socio-economic breakdown. How so, and what about the workers?

In the early 1990s, Ukrainian enterprises functioned according to the post-Stalinist system of relations of and in production which relied on: workers' "negative control" over production process and foreman as a key figure on the lowest level; "plan-fulfilment pact" based on the collusion of interests between workers and factory management and mediated by the union on the enterprise level; attempts by the state to use union bureaucracy in ensuring social peace and motivating workforce on the top level. This system could not be immediately scrapped in favour of liberal shock therapy: the role of the enterprise as a unit of social and economic infrastructure beyond sheer production was so great that dismantling this infrastructure overnight would amount to a humanitarian catastrophe.

Large enterprises kept existing in the form of semi-feudal fiefdoms, characterised by labour hoarding, negative control, and omnipresent "weapons of the weak" such as absenteeism, theft, and moonlighting. These weapons were re-oriented more sharply towards ensuring the economic survival of the workers and their families. The administration of an enterprise and the union, which became completely incorporated into its management, were also developing new schemes of extra-wage benefits distribution. Simultaneously, the government devised scores of previously non-existent social welfare programs to try and alleviate the horrible slump of life standards with reallocation of resources via state budget.

While elsewhere in CEE labour force was massively shed and "inefficient" companies went bankrupt, Ukrainian enterprises and the state had the opposite policy, trying to preserve "labour collectives" where possible. This was in the interests of enterprise directors who positioned themselves as the embodiment of their labour collectives in the political struggles: the greater number of people you can claim as your clients, the greater amount of economic, political and administrative resources you can hope to gain from your patrons.

On the national level, the old union bureaucracy was embedded in the new power configuration as the government's "left hand", rather than destroyed. Instead of building the "social dialogue" infrastructure taken from the West, the social compromise was overseen by an undifferentiated block of union and government bureaucracy, which only gradually began spawning the new class of owners from its ranks.

National assets were gradually privatised by insiders in what can be interpreted as a conscious strategy to keep foreign capital at bay and allow the national bourgeoisie to grow strong. The result was not so much a bourgeois class as the small stratum of oligarchs with strong bureaucratic connections, controlling the weak (captured) state. Meanwhile, the bourgeoisie *per se* was and remains too weak to organise itself as a class: representative employers' bodies are not perceived as such and in fact play the role of yet another (not the most efficient) element of patronage networks.

The birth of the privatised (or semi-privatised) oligarchic economy meant the political death of the class of "red directors" who had been the main driver behind corporatist policies restraining the reign of the law of value both at the enterprises and on the national level. And yet, the new owners were willing to continue these policies. Just as their predecessors, they also made use of "labour collective" patronage. Moreover, they were not financially burdened by corporate and nation-wide welfare programmes, enjoying windfall profits on the global markets during

the commodities boom of the 2000s. Profitability level of Ukrainian companies was extraordinarily high due to the parasitic character of the owning class: having purchased their assets cheaply from the state through insider deals, they did not feel obliged to reinvest into amortisation and modernisation of capital. The decade of economic boom saw only a couple of newly built factories and a handful of modernisation projects. The bulk of the profits were appropriated by owners and directed into offshore tax havens.

Feasting on the resources left by the previous socio-economic formation, the ruling class did not mind sharing them with the workers, thereby reinforcing and maintaining the post-Soviet hegemonic expectations from the factory, union, and the state. This social contract implied a number of unspoken mutual commitments, under which workers were to maintain social peace and loyalty to the enterprise, while the owner of the enterprise guaranteed preserving jobs, lax attitude, and certain level of monetary and non-monetary income. Foreign corporations came with different set of rules, but they are statistically insignificant: so far, only 13% of Ukrainian workforce are employed at foreign-owned companies. 49% work for Ukrainian private owners, the rest are employed at state-owned and mixed enterprises (Petrushina 2016).

And yet, this hegemonic configuration cannot stay forever. The advent of "real capitalism" with its inexorable law of value was felt already in the second half of 2000s, when the management of Roshen realised the unsustainability of their old policies and "rationalised" them to a certain degree, and administration of Kyiv metro started a bureaucratic-disciplining offensive against its workforce. Depletion of Soviet resources, which have been sustaining hegemonic pacts on various levels, was aggravated by the crisis of 2008 and the long recession which began in 2012 and culminated in the drastic fall of life standards in 2014.

The post-Soviet corporatist hegemony is slowly eroding on all levels: the micro level of relations between the foreman and workers, the realm of the union-administration nexus, the

macro stage featuring the state and union bureaucracy. The global level also comes into play here – first of all, in the context of the spatial fix performed by the new owners of industrial enterprises: unlike the more hi-tech post-Soviet companies, factories producing intermediate products for industry were able to find demand on the global markets and make use of the upward commodity cycle of 1997-2012 while it lasted. Second of all, the ability of Ukrainian economy to isolate itself from the penetration of international capital on the inside and to be equally active both on the EU and Russian markets on the outside, has also been an important resource underpinning the post-Soviet hegemonic pact.

After Maidan, the dismal state of the investment-hungry economy and physical infrastructure actually gave hope for a colonisation of Ukraine by the EU capital which could benefit from big demand for investments and high profit rate, repeating the Czech, Slovak, and Polish scenario. But the civil conflict and war with Russia, continued isolationist policies of national oligarchic elites, and the lack of political will in the EU and IMF to finance a Marshall plan for Ukraine made these hopes unrealistic. Instead of benefiting from the global crisis of profitability, Ukrainian economy is now set to find itself on its losing side, whereby destruction of obsolete and inefficient industrial assets should help raise the profit rate for (foreign) survivors.

This means that we will hardly see rapid measures to raise labour intensity and renegotiate the terms of social contract in the favour of the class of owners on any level any time soon. The traditional post-Soviet hegemonic configuration will rather keep transforming itself slowly, as it has been doing for the last decade, in the direction of a more despotic factory regime on lower levels and a populist regime more committed to fiscal discipline on the top level.

What does this imply for working class protest culture and militant unionism? The legitimacy of the state, already low, will definitely be further eroding. But the same cannot be said for the

legitimacy of the employer. On the contrary, macroeconomic context of protracted economic slump never bodes well for grassroot militancy. Shrinking employment options force workers to agree on worsening labour conditions rather than protest, as the example of metro workers shows only too well. This combination opens road to channelling implicit class conflicts and grievances along non-orthodox routes: continuing the traditions of the "perverted class struggle" by using the "weapons of the weak" and inventing new atomised survival strategies, and/or joining populist movements which tend to work with wider constructed identities, be they ethnic, linguistic or "civilisational". The latest developments at the top level of union bureaucracy seem to indicate precisely this possibility.

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