

## Chapter 7. Union Consolidation

Issues that emerge from union consolidation are analysed in this chapter through an investigation of the examples of the RUCs and ITUs at both the mining enterprise, Sukha Balka, and the Zaporizhya municipal hospital. In these cases, the co-existence of both reformed and independent trade unions within one and the same enterprise resulted in a division of the spheres of activities by the different trade unions. This division of responsibilities facilitated consolidation. Additionally, the establishment of the ITUs resulted in the emergence of a new sectoral composition of trade unions. Consequently, these unions provide particularly good examples for an analysis of consolidation.

### *7.1. The Case of the Iron-Ore Mining Company Sukha Balka*

#### *7.1.1. Enterprise Background*

Sukha Balka combines two iron-ore mines. These facilities were owned by the Ukrainian financial-industrial group, “Privat”, until the end of 2007. With the dramatically changed economic context, union-management relationships became ‘non-civilised’: very little union-management dialogue was possible, management consistently operated in violation of the law (Pechenin, RUC president, interview) and did not recognise the ITU (Komar, former ITU vice-president, interview). However, changes were provoked when the enterprise was bought by the Russian TNC Evraz Group<sup>70</sup> in 2007. Management recognised the benefits of a constructive relationship with the trade unions (Sukha Balka Personnel Director, interview). Union-management relations at Sukha Balka improved during this time, keeping open the possibility of work-related improvements.

Presently, two trade unions exist at Sukha Balka. The reformed RUC was established during socialist times, soon after the mines were opened, while the ITU was established at Sukha Balka in 1991 by the former official of the RUC, Mr. Tretyakov, who has continued to chair it to the present day.

#### *7.1.2. The Organisation of Sukha Balka Trade Unions*

The process which led to the (re)organisation of the RUC and ITU at Sukha Balka began in the late 1980s. In 1988 only one trade union existed at the enterprise. That union had a disciplinary function. When a worker was caught violating work rules, the union-based

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<sup>70</sup> Evraz Group is a large, ‘vertically integrated’ steel and mining company, which operates in Russia, Europe, Canada, the USA and South Africa. In total it employs more than 110 000 workers (Evraz Group n.d.).

‘comrade judge’ would administer punishment to the worker. The then ‘comrade judge’ Tretyakov (currently the ITU President) believed it was unjust to administer punishments for crimes that were not related to work. Consequently, he looked at each case individually in an effort ‘to protect workers’ (Tretyakov, ITU president, interview I). Yet the trade union did not offer ‘any levers of protection of a labourer’: “I just did not see any [levers of protection]. I could not take them [levers of union protection] and apply (them). I did not have the levers of pressure [...]” (Tretyakov, ITU president, interview III).

Miners’ strikes started one year later. Miners participating in the strikes had asked workers at different mines, including Sukha Balka, to establish an ITU at their enterprise (ibid). Tretyakov initiated a meeting with the miners from his enterprise in order to discuss the state of affairs. Over the course of these ongoing discussions, workers from one of the Sukha Balka mines decided to join the coordinating council of Kryvy Rig miners, when it was established one year later. This became a crucial trigger for later changes within the union, as it prompted debates over union identity and functions:

*“Once we started this process [interactions with independent coal-miners’ unions] we began to understand the significance. We saw that their [coal miners’ strike committees] structure was that of a different type of organisation. At that time, we already had a dream to reform or transform our trade union to make it ‘a real’ one. So, we started to understand the essence [...] when they told us, well, you [Sukha Balka trade union] are old-style”* (Tretyakov, ITU president, interview II).

In spite of these political developments in the mining sector and in trade unions, the existing Sukha Balka RUC continued to focus the core of its activities on the distribution of televisions, cigarettes and video recorders (ibid). Also, the leader of the RUC at the time continued to approve managerial decrees, which punished workers for violations into the early 1990s (Sukha Balka workers, personal communication). This is apparently what was meant by Tretyakov when he was cited as saying that his trade union was alleged to be ‘old-style’. Meanwhile, in 1991, the nation-wide Independent Miners’ Union of Ukraine (NPGU) was being formed, rooted in the strike committees. A group of activists at Sukha Balka established a strike committee, “[...] uniting out of solidarity with coal miners” (ibid). Against this background, at the next general union conference in 1992 Tretyakov announced his withdrawal from the former official union and the establishment of the ITU at Sukha Balka.

Although Tretyakov and the miners had been in communication with the NPGU, how to build the new union organisation remained unclear to them:

*“Even though we had an intense exchange with [ITU of] coal miners, we still did not know how to work and where to go [...] So, we started to work on the establishment of our organisation, developed a protocol and informed the administration about the establishment [of the ITU]”* (Tretyakov, ITU president, interview II).

The leaders and members of the ITU focused their efforts on promoting the concept of difference in the positions of the employer and a hired employee, which was central to their representation approach:

*“Here comes the 1992 winter, the stabilisation of our organisation. For people it was completely unclear what was happening. We started to promote our idea, started to explain to people, to convince them ideologically. We explained that the director of the mine is our employer and we are all hired employees” (Tretyakov, ITU president, interview I).*

Shortly after its establishment in 1992 the Sukha Balka ITU sought to mobilise workers for protests as part of a campaign to secure better salary conditions:

*“We were initiators. We mobilised people, organised meetings. The other union [Sukha Balka RUC] did not support us. Even though our membership still remained quite low, we succeeded in mobilising the labour collective and pushing for wage increases” (Tretyakov, ITU president, interview II).*

The union campaign rapidly increased union membership, as the demands of the workers were satisfied. While elsewhere workers experienced wage delays, Sukha Balka miners were paid their wages on time.

The establishment of the ITU at Sukha Belka was not taken easily by its management and RUC. It was met “[...] with cries and screaming on the part of the management and of the existing union. Our general director became hysterical and said there would be no independent trade union at the Frunze mine” (Tretyakov, ITU president, interview I). The militant actions of 1992 resulted in increased pressure on workers from management as part of an ongoing attempt to destroy the union. The pressure applied to the ITU by the Sukha Balka management culminated in workers starting to leave the ITU in 1994. One worker had a heart attack, after he was persecuted by management for having participated in previous strikes. The ITU made the harassment of its activities publicly known in an attempt to ensure its further existence and to reduce the pressure. Officially, the law sanctions management for this kind of harassment with various forms of punishment, including criminal proceedings. The case of the worker suffering the heart attack was definitely a clear enough example of such a violation. Management agreed to recognise the ITU, but the pressure continued in more latent forms until the mid-2000s (Tretyakov, ITU president, interview I). For example, as wages continued to be paid to and distributed within a brigade (as compared to the payment of wages to each worker individually), the whole brigade was at risk of being denied their wages, if it had at least one brigade member in the ITU. Workers were also promised higher wages in exchange for their withdrawal (ibid).

The disciplinary function of the other union at Sukha Balka (the RUC) was challenged, as the general context was also being shaped by the activities of the ITU. When workers found themselves in difficult situations, they did not receive any individual assistance

from the RUC (Sukha Balka employee, personal communication). By contrast, the ITU's treatment of workers' individual issues attracted worker-members of the RUC. At the next labour collective's conference popular support was given to the ITU, when the labour collective voted for the ITU to represent the collective in the upcoming round of collective bargaining.

Despite the slow pace of change at the RUC as well as workers' support being given to the ITU, more workers remained members of the RUC than joined the ITU (Pechenin, RUC president, interview). By remaining members of the RUC, workers had access to discounted holiday vouchers and recreation facilities owned by the sectoral trade union (Komar, former ITU Vice-President, interview). At the time, the ITU did not provide any of those services, so workers would lose their access to cheap holidays by withdrawing from the RUC. As the ITU urgently needed more members, it started to recruit workers from other occupations within the mine: canteen workers, sales, repair shop workers, mechanics, etc. As a result of such recruitment, the ITU has expanded its coverage within the enterprise.<sup>71</sup>

### *Deepening of the Differences between the ITU and RUC*

In its organisational phase, several important ITU decisions deepened the differences between the ITU and RUC. Firstly, traditionally iron-ore miners have not been recognised within the division of professions as 'miners' but as 'metallurgists'. Even though the conditions of iron-ore miners' underground work were as hazardous as that of coal miners, iron-ore miners were deprived of the full state benefits received by coal miners. For this reason the Sukha Balka ITU joined with the NPGU to demand that the iron-ore miners be economically recognised as 'miners'. Against a background of growing NPGU militancy and influence, the government met this demand (Tretyakov, ITU president, interview I). Now that the ITU was a member of the NPGU (uniting coal-miners) it could intervene in policy-making in the mining sector through the NPGU.

The RUC of Sukha Balka still remained integrated in the structure of the Mining and Metallurgy Workers' Union (PMGU) uniting metallurgists. Miners were organised by the

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<sup>71</sup> Meanwhile, the NPGU and ITU have also gone into other sectors in an attempt to establish independent trade unions. In the region of Kryvy Rih, teachers' unions and ITUs at some other enterprises were established by and affiliated with the ITU (Fundovny, VPONU president, interview; Samoylov, the president of the Regional Confederation of Independent Trade Unions of Kryvy Rih, interview). Usually, newly established trade unions immediately came under pressure from management or regional authorities. The ITU Sukha Balka affiliated both newly established unions into their structure. This was expected to grant the newly established trade unions further existence until these union organisations were registered. Later on, as medical workers' and teachers' trade unions were registered, they withdrew from the ITU (Samoylov, the president of the Regional Confederation of Independent Trade Unions of Kryvy Rih, interview).

reformed Trade Union of the Workers of the Mining Industry (PRUP). After iron-ore miners were recognised as part of the mining sector, the relationship between the Sukha Balka RUC and the national PMGU weakened and the RUC “[was] not really happy with its [national union’s] work” (Pechenin, RUC president, interview). Interestingly, the membership of the RUC in the PMGU has never been questioned, although iron-ore mining policy is now a part of the PRUP’s jurisdiction.

Secondly, a distinction was emphasised within the ITU between ‘employer’ and ‘hired employee’. As a result of this distinction, the membership of managerial workers in the ITU was rejected on the ground of being an ideological obstacle (Tretyakov, ITU president, interview I): “As we said earlier, there are hired employees. And a director, he is already an employer. [...] We stick to this European standard” (ibid).<sup>72</sup> By contrast, the membership of the administrative staff has not been seen as an obstacle to worker representation in the RUC. Managers that maintained decision-making power over wages and working conditions have remained members of the RUC to the present day (Pechenin, RUC president, interview).

### *7.1.3. The Operation of the Sukha Balka Trade Unions*

In 1993 the NPGU mobilised workers in the run-up to demanding the payment of delayed wages and improvement of working conditions in the mining sector. As trade unions demanded work-related improvements, directors pointed the finger at the government’s failure to provide sufficient financing for the mining sector. Consequently, miners turned their efforts to protesting against the government for improvements in industry conditions. This strategy was later recognised by the ITU and NPGU as a mistake. The strikes of 1993 were ultimately seen as ‘director-led strikes’ as, because the union demand to improve the financial standing of the mining sector was viewed by many that these strikes had been arranged by enterprise directors (e.g. Vyshnevs’ky, Mishenko, Pivnyev et al. 1997): “The directors of ore-mining enterprises played their role. [...] And directors could have used this situation [miners’ militancy] for their advantage in order to get better conditions for their enterprises from the state” (Tretyakov, ITU president, interview I). Directors won some gains as a result of these miners’ strikes and so the strikes themselves undermined the legitimacy of miners’ ITU

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<sup>72</sup> The importance of this distinction between hired workers and employers was recognised by the ITU after several seminars, which the NPGU jointly organised with the German miners’ union: “There is such a category in the German Labour Code. [...] We needed this category as well [...] I am guided by the specifics of the German unions in my own work [...]” (Tretyakov, ITU president, interview I).

and the NPGU. These events undermined the ITU's claim to stay on the oppositional side in relation to employers and thus it started to lose the trust of the workers (ibid).

As economic conditions continued to worsen, there was not enough time to prepare for a further mobilisation of workers and to re-build the legitimacy of the ITU after the 'director-led strikes'. This became evident when, within three months, the NPGU and Sukha Balka ITU organised another strike. This strike became another failure:

*"The organisers thought workers were ready for another protest and so they mobilised again. [...] September and October of 1994 - the strike of the Independent Miners' Union of Ukraine was such nonsense! [...] People were not structured. They did not know what was going on [...] This strike turned out badly for us. First of all, we did not possess enough financial resources. People did not work, the whole month they were not paid their wages [...] Not a single kopek [...] I saw the situation becoming hopeless and saw the objectives of our strike getting lost" (Tretyakov, ITU president, interview II).*

As this quotation shows, the ITU leaders at Sukha Balka expected that workers would continue to further engage in union activities as they had during previous successful actions. Hence, the ITU leadership did not address these problems caused by worker activism. During 1994, while the work at other mines organised by the NPGU stopped as a result of miners' strikes, the Sukha Balka mine remained in operation. A complete work stoppage like that which workers had successfully achieved during the protests of the late 1980s and early 1990s was not possible this time. The quotation below is highly representative of the mood of the time:

*"[...] we stayed [protested] underground [...]. The workers for the first shift went underground. It was bizarre - one worker turned his face away from us and started to run into the mine. And 30 workers followed him. We were shocked. It was like a herd of cattle running away. No one joined us underground" (Tretyakov, ITU president, interview I).*

This series of failures experienced by the Sukha Balka ITU and NPGU gave mine directors time to take stock and prepare their counteractions. Meanwhile, the persecution of the members of the Sukha Balka ITU intensified. The number of members of the ITU started to fall drastically and the union faced increasing difficulties in recruiting workers: "Heavy repressions started. [...] The management understood that if they destroyed the core, the strongest part of the union, the rest would die by itself. So they started repressions against workers [...]" (ibid). Tretyakov himself was called in and interrogated by the police several times. By 1995, the organisation had been almost completely destroyed (ibid) and the Sukha Balka ITU has never since succeeded in increasing its membership to the level of its historical peak in 1993. This pressure on the ITU was alleviated in 2003, but by then the union had only 750 registered members left.

#### 7.1.4. The Consolidation of Unions

The admission of the ITU Sukha Balka to join collective bargaining just one year after the union's establishment was the first sign of the beginning of consolidation for the ITU. Compared to the other cases of ITUs discussed above, this was particularly interesting, as normally ITUs had to struggle for several years in order to gain access to the bargaining process.<sup>73</sup> Unlike the cases discussed above, in which the RUCs refused to include the ITUs into the bargaining, at Sukha Balka the RUC was not able to block the ITU's push for inclusion. It was particularly impressive because at that point in time the ITU at Sukha Balka only had two hundred members (Tretyakov, ITU president, interview I). The admission of the ITU to negotiations was due to popular acceptance of the union. At a labour collective's conference, called to decide who would sign the collective agreement, widespread support for the ITU was clear. The quick admission of the ITU to bargaining in turn indicated the strengthening of its positions.

With the signing of the collective agreement, the ITU also gained access to different union-management commissions on work-related issues. As the ITU focused its demands on wages and working conditions, its first move in this direction was to bring to life the existent (but not actively functioning) enterprise-based union-management commission on social affairs.<sup>74</sup> The ITU replaced the director of the commission with a candidate it was in support of, also inviting the RUC to participate. Having revitalised the work of the commission on social affairs, the ITU demanded a number of work benefits through this forum. It negotiated above-average wages for workers and also succeeded in maintaining payment of full wage scales for workers during enterprise standstills. Meanwhile, the RUC at one of the two mines belonging to Sukha Balka dissolved.

When ownership of the enterprise changed, when Evraz purchased it in 2007, the basis for union-management relationships had been already established. The collective agreement already contained a benefit structure and enterprise-based commissions were already functioning. The task of the ITU remained the same under the new management. It emphasised control over enforcement of the legal and collective

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<sup>73</sup> In the case of LAZy the ITU was excluded from all bargaining. In the case of the Kiev metro, the ITU was permitted to participate in bargaining almost a decade after its establishment, following a number of protests organised by the ITU, although it was still not allowed to actually co-sign the collective agreement. This exclusion from collective bargaining was common to many newly established ITUs (Akimochkin, Vice-President of the KVPU, NPGU, interview).

<sup>74</sup> The commission had been established earlier, under the Soviet system of IR, to deal with different social issues relevant to work and used to be under the control of the former official union. However, for quite some time no real commitment existed; the commission had failed to engage in work-related issues and continued distributing holiday vouchers to workers. Indeed, one unusual and noteworthy fact is that before this initiative of the ITU, the commission had been chaired by a person, who was not even employed at the enterprise (Komar, former ITU vice-president, interview).

agreement provisions: “our work is to ensure that the employer complies with the law. If the law is violated we will draw attention to it by creating a difficult situation [...]” (Bondar, ITU vice-president, interview). Just as management recognised the benefits of a constructive relationship with the trade unions, it also recognised the need for a union-management dialogue (Sukha Balka, Personnel Director, interview):

*“The union-management relationship is of a working nature. It makes me glad that at present the union builds its position in clear terms of enforcing the law. [...] All of our actions that are relevant to union-management relations must be approved by the union at their initial stage. The decisions are then confirmed through protocols, which require joint approval. [...] In the course of our joint discussions we seek consensus. [...] Equal relations [...] - no one pressures the other”* (Sukha Balka Personnel Director, interview).

As the director of the Sukha Balka Commission on Social Affairs noted,

*“To say that we work harmoniously is too presumptuous. We mutually cooperate – the issues that arise here are exclusively discussed by all the parties jointly. I mean, we do not have situations where we make a decision and the union simply complies with it. And I have to give thanks to the unions, because they operate in a constructive way [...] so far we have managed to avoid any cataclysms [...]”* (Director on Social Affairs of Sukha Balka, personal communication).

From the unions’ perspective the union-management relationships have significantly improved under the Evraz’s ownership as,

*“they [the new management] work within the legal framework. They rarely violate laws. In this regard it is easier to work with them. We work according to the law. We also have the collective agreement, all the provisions are fulfilled. Some with delays in relation to wages in particular. Wages are in regular conditions [...] here higher than at other enterprises. So, here we should give the Russians [Evraz] tribute* (Pechenin, RUC president, interview).

In 2007-2008 the ITU extended the working standards and scope of benefits beyond those confirmed in law. For instance, the ITU ensured the provision of uniforms and health and safety equipment for those occupations at the mine for which the National General Agreement had not included the provision of uniforms. Also, the ITU established a section with specific benefits for young workers (payments, additional days off and study scholarships). It set the employers’ financial contribution to the workers’ recreation at 0.4% instead of the legally required 0.3%. This increase was supplemented by an additionally negotiated Hr 250,000 (then equal to around \$31,000) for the health care of miners (Collective Agreement of the OJSC “Sukha Balka” 2008).

When Evraz started to restructure the enterprise by outsourcing workers in the late 2000s, the ITU addressed the conditions of workers that had to be outsourced by successfully demanding the establishment of the enterprise-based council on outsourcing. Again, the ITU invited the RUC to participate. The outcome of the bi-partite council meetings was an agreement to include trade unions, when selecting Sukha Balka’s subcontractors. The agreement also envisaged the same wage increase scheme and benefit package to outsourced workers that Sukha Balka workers had. The same four-month redundancy pay was also agreed. As the number of workers employed at

Sukha Balka fell, the unions reached an agreement with management that the wage fund would not be reduced, thus granting some additional wage increases for the remaining Sukha Balka workers (Tretyakov, ITU president, interview II).

As the impacts of the international financial crisis reached Sukha Balka, the length of the work week was reduced (SMIDA 2009). Due to the implications of the crisis, which the whole Evraz Group was faced with, the ITU's demands could no longer be met exclusively at the level of local management. Limits were placed on local management due to the distribution of decision-making power within the Evraz Group. Therefore, the ITU began to seek ways to build their relations with the senior management of the Evraz Group, located in Russia. The ITU called a meeting of the bipartite social-production council, where the effects of the crisis on workers could be discussed. The outcome of the council meeting was a management-union agreement to preserve wage levels and workers' social benefits. In return, the union agreed to accept the reduction of the work week to three days and restrain from demanding further wage increases during the crisis. The ITU promised no strikes provided that management upheld their commitments of the agreement (the minutes of the Sukha Balka Bipartite Council meeting, 10 June 2009).

Despite the recovery of the sector after the crisis in 2009, the Sukha Balka management announced another standstill. The railways that Sukha Balka used to supply its output were blocked, so production remained halted. It was claimed that the blockade of the railways was arranged by an iron-ore enterprise called KZRK, a competitor of Sukha Balka (Andryushenko 2010a, Polonska and Lysenko 2010, Shetinin in interview to Bez Roboty 2010). The railways, as well as Sukha Balka itself, had previously been KZRK's property, because they had been owned by the "Privat Group". When Evraz bought Sukha Balka in 2007, it bought the enterprise without the railways, but had made an agreement concerning the use of the railways. KZRK subsequently claimed that it had never signed such an agreement (Timoshuk 2010; Tretyakov, ITU president, interview III). The management of both enterprises had little decision-making authority on the issue of the blockade. Therefore, the issue had to be dealt with at the level of the owners of the companies, each of whom belonged to different oligarchic groups. The situation escalated in March 2010 when 3,000 out of 3,700 Sukha Balka workers were sent on administrative leave (Tretyakov, ITU president, in interview to Royko 2010) with their wages falling to a third of their previous level (Timoshuk 2010).

Although the RUC would commonly adopt similar stances to the ITU during collective bargaining (as it had in the past) (Tretyakov, ITU president, interview III; Pechenin, RUC president, interview), the RUC and ITU took different positions during this particular standstill. The RUC demanded that the regional authorities solve the conflict within ten days and called publicly for the KZRK to unblock the railways (Polonska and Lysenko 2010). In order to mobilise some pressure on the local government, the RUC announced a protest meeting in front of the city's official buildings to demand an end to the blockade. Seeing a threat in these protests, the mayor did not approve the location the union had chosen for protests and decreed that the protests should take place in a neighbouring park (Pechenin, RUC president, interview). This would have significantly diminished the visibility of the protest. On the day of the protest, the former RUC's president, Burdeyniy, publically demanded that those responsible for the blockade be brought to justice (Polonska and Lysenko 2010, Pavlov 2009). Meanwhile, the construction of the Sukha Balka's own railways was to be finished in two months. In the context of this solution, the protest and demands of the RUC addressed workers' concerns only indirectly, as it was within the responsibility of management to ensure a quick solution. Hence, the protest that the union had organised primarily benefited management.

The ITU refused to support the aforementioned protest, although it did not take a position, neither advising nor dissuading its members to join it (Tretyakov, ITU president, interview III; Pechenin, RUC president, interview). Tretyakov believed that supporting the protest would mean condoning the actions of the management and the union could be seen to be representing the administration's interests instead of the interests of employees (ibid). However, Tretyakov publically expressed the union's belief that it was the responsibility of the regional authorities, as part of their legal obligation, to intervene in the illegal actions of the oligarchs:

*"Why did we intervene in the situation? [...] We are concerned by the lack of compliance with the Law of Ukraine regarding mining work. In accordance with this law our demands for a 5-day working week starting from October 1 [2009] as well as wage increases should be implemented, but are threatened not to be. The problem with the supply of the iron-ore is not allowing us to realise our aims. Our members cannot pay their communal expenses and pay back their loans as well as support their families"* (Tretyakov, the ITU president, cited in Pavlov 2009).

During this conflict the ITU concentrated on the enforcement of the legal and collective bargaining provisions. This worked to ensure that negotiated wage rates were paid during the standstill. In May 2010 Sukha Balka completed the construction of the new railway and the conflict came to the end. Both trade unions then returned to wage negotiations.

## **7.2. The Case of the Emergency Doctors of Zaporizhyya**

### *7.2.1. Medical Sector Background*

The public sector was severely hit by the collapse of the socialist economy. A constant lack of sufficient financing, an urgent need for reforms as well as a severe lag in the modernisation of hospitals and equipment have characterised the medical sector since the early 1990s (Baranova and Paraskevich 2010, Belka 2010, Paraskevich 2010). The medical sector's predicament not only stems from underinvestment, but also because financial allocations from the national budget do not reach hospitals, before some resources have ended up in the hands of corrupt officials (Panasenko, FTUMWU president, Interview II). The Health Ministry is sometimes pejoratively called 'the Commercial Ministry' (ibid). Consequently, public sector workers have suffered a severe deterioration in their working and living conditions. Their monthly wages remained extremely low (around 100 Euro) and it was clear that medical workers were unable to cover the costs of basic necessities with their wages.

Initially, this crisis in the medical sector offered very negative conditions for union development and reforms. Additionally, a local union struggle on the ground was likely to bring few gains. Many work-related issues directly affecting medical workers (repeated wage payment delays, layoffs and administrative leave) could be solved at the enterprise level. But, many other problems (such as wage levels and hospital modernisation) could not be solved through regular enterprise-based collective bargaining, because medical services continued to be administered and financed in a centralised manner (FTUMWU Congress, 28-29 January 2009, participant observation). Therefore, a strong national union structure was central to the settlement of local problems. The Central Committee of the Unions of Healthcare Workers of Ukraine (CCUHWU) that had been established several decades earlier, has hardly been able to effectively influence the national-level policy-making in the medical sector.

Independent medical workers' unions began to emerge as late as 2000. By 2007 the enterprise-based medical workers' ITUs had united into the Free Trade Union of Medical Workers of Ukraine (FTUMWU). Its ability to function, however, has constantly been inhibited by the lack of resources and competition with the CCUHWU.

### 7.2.2. Organisation of the Medical Workers' Unions in Zaporizhyya

The union committee of medical workers of the Zaporizhyya clinical hospital (the predecessor of the RUC) was established in 1965, shortly after the hospital was founded. Since the late 1980s the union has been chaired by basically the same leadership team. The president of the RUC, Ms. Dronova, worked in the union as vice-president during socialist times. Afterwards, she chaired the union from 1992 until 1995 and from 2000 to the present day. As Dronova herself admits, she took over the position because she was asked to do it: "It did not really inspire me. They just asked me to do it. The entire [labour] collective - workers of one or other department - came to me and asked. I resigned [from the position of the union president] in 1995, and I thought to myself, thank God" (Dronova, RUC's president, interview).

This continuity in union leadership did not facilitate reforms in the RUC. Following the collapse of the socialist system, the RUC found its new role in solving socio-economic matters that were no longer sanctioned by the state:

*"In Soviet times [...] it was easier to deal with the socio-economic issues that were decreed in a centralised manner. It made our work easier. There were no crises. No conflicts. The state tried to solve the issues at the highest level in a way that affected people as little as possible. But now problems arise, but they all are solvable. One cannot say that we have a problem and there is no solution to it. Any problem can be solved [...]"* (Dronova, RUC president, interview).

Being administered centrally, policy-making in the public sector has traditionally been perceived as the arena of government decisions, whilst trade unions are the 'recipients' of decisions (ibid). This quotation clearly shows that the reorganisation of the union's work under the new conditions was confined to implementing state policy at the workplace and handling its implications. As trade unions accepted the inherent restrictions of the government's budgetary allocations, the RUCs saw no opportunities to participate in policy-making and wage formulation. Consequently, the core work of the RUC of the Zaporizhyya clinical hospital was organised in terms of interpreting new laws with the help of the city's legal department and the reformed CCUHWU oblast committee. The RUC also transposed new laws into collective agreements (ibid).

The RUC understood the labour collective to be its constituency and thus the preservation of that labour collective (and its unity) under the present operating conditions to be its mission:

*"It is everybody's [management and union] task to let the hospital's labour collective work smoothly and in a unified manner. [...] Patients should not know about our problems. [...] Everything depends on the cohesiveness of our collective. [...] At work there is no time [to] have a chat [...] At work it's only hello and goodbye. No time to talk. And in this way [joint leisure-time activities and cultural events] the collective becomes more cohesive [...]"* (Dronova, RUC president, interview).

With this commitment to strengthening the labour collective, as far as the RUC was concerned, its strength was in the provision of holiday vouchers to workers and the organisation of leisure-time activities. The RUC's leadership had accumulated significant capacities and experience in terms of this kind of distributive work. When socialism disintegrated, the RUC of the Zaporizhyya clinical hospital continued to provide these services on its own. Indeed, as the previous quote indicated, holidays and shared free-time activities helped RUC to ensure the unity of the labour collective.

This RUC's approach to worker representation did benefit workers. However, this same approach hardly had any impact on wages and working conditions. As work-related problems accumulated, the RUC did not see any necessity to confront the head doctor, their employer:

*"Many colleagues of mine believe, that if problems arise, the head doctor can solve them personally at the level of the hospital. But we are a communal enterprise of the City Council. The budget of our establishment is allocated by the City Council, once the overall budget is approved by Parliament. [...] We fully depend on it [...]"* (ibid).

As a result of the RUC's adoption of this position, worker dissatisfaction grew, as wages stagnated and wage arrears accumulated throughout the 1990s (Zaporizhyya clinical hospital workers, personal communication).

At the beginning of the 2000s, some emergency doctors claimed it was their head doctor, who was responsible for the state of affairs at the hospital. They also claimed that more individual protection should be provided to emergency service doctors by trade unions. However, particularly in such critical situations, the RUC refused to confront the head doctor, regarding the existing problems at work, as the RUC saw the head doctor as being 'one of us' (Sydorenko, ITU president, interview I; FTUMWU Second Congress, 28-29 January 2009, participant observation). On the basis of this dissatisfaction, an ITU was established in the Zaporizhyya Clinical Hospital in 2004.

The newly established ITU demanded the improvement of working conditions and wages at the hospital by pressuring the head doctor. Also, the ITU offered support to workers finding themselves in difficult individual situations. For example, one doctor was beaten up during work by a drunken patient. Before the establishment of the ITU everyone would say that 'the doctor was lucky to survive' without taking any further action to protect the doctor. The doctor received financial reparations for his injuries due to the initiative of the ITU (Sydorenko, ITU president, interview II). There were many cases of illegal reprimands issued by hospital management being overturned or cancelled thanks to the work of the ITU. It launched and won five court cases on the matter of reprimands. This work brought the issuance of illegal reprimands to a halt

(ibid). The assistance provided by the ITU was more appealing than pure persuasion and attracted other workers to join the ITU.

### 7.2.3. The Operation of Trade Unions

After submitting official registration, the ITU demanded that the RUC allow it to see the contents of the collective agreement. Once it received the agreement, the ITU saw that the document contained many benefits for workers that were not being implemented (Sydorenko, ITU president, interview I; Udovichenko, ITU vice-president, interview). So the ITU began to push for enforcement of the existing collective agreement. Using this strategy of enforcing existing terms, the ITU succeeded in gaining further benefits for workers, including the procurement of uniforms at the hospital's expense. The emergency service vehicle fleet was renewed with 60 new vehicles and plans for the renewal of the remainder of the fleet were also developed. The ITU also demanded that it be included in negotiations and it joined in the bargaining that same year. The RUC had 8 representatives, while allowing the ITU to have only 2.

During this round of collective bargaining remarkable differences that have characterised both unions' approaches to the hospital's administration and its head doctor became particularly clear. The ITU positioned itself in opposition to the hospital administration and held the head doctor responsible for work-related problems (Sydorenko, ITU president, interview I-III). The ITU aimed to "force the management to work" (Sydorenko's address at the Second Congress of the FTUMWU, participant observation). Concurrently, the RUC recognised that any arising problems are the responsibility of national-level politics and allocations from the state budget (Dronova, RUC president, interview). Therefore, the RUC did not allocate responsibility for hospital-level problems to the head doctor: "It is not about the desires of the management. If there is no money then there is none [...] There should be no confrontation between the management and the trade union [about work-related issues]" (ibid). The RUC's attitude towards the head doctor being a part of the labour collective presupposed an absence of confrontation with anyone holding that position:

*"I believe there should be none [confrontation]. We are a huge hospital of emergency service doctors. Our main task is to deliver emergency assistance to the citizens of Zaporozhyia. We should do whatever we can, so that the citizens of Zaporozhyia are assisted on time and in a good manner [...] and our colleagues come to the patient in an excellent mood. The patient doesn't need our confrontation [between the union and head doctor]. If problems arise, we should solve them. God save us from doing it [confronting the head doctor]" (ibid).*

Consequently, the relationship between the RUC and hospital management has looked much more 'harmonious' (Deputy Head Doctor, personal communication). The head

doctor and the hospital's management have consistently been open to cooperation with the RUC (ibid, Dronova, RUC president, interview). The emergence of the ITU and its emphasis on bargaining posed challenges for the hospital management as well as the harmonious relationship between the RUC and head doctor, because the ITU saw the hospital's head doctor as responsible for work-related problems.

A year later the agreement was renegotiated and signed for another three years (lasting until 2009). Although the scope of work-related benefits for doctors and medical personnel was broadened slightly, the differences in the both unions' positions and in the way they each established relationships with the head doctor continued to influence both unions' perceptions of the collective agreement. The ITU perceived the agreement as a means to enforce their demands of better wages and working conditions. The RUC saw collective bargaining as a means to confirm the scope of centrally provided benefits in the given hospital at the enterprise level. These differences in the ITU's and RUC's understanding of collective bargaining and their stances in relation to the head doctor prevented both unions from forming a joint position in bargaining (Sydorenko, ITU president, interview II).

As a result of the ITU's activities during collective bargaining, it was labelled a threat. Within this context of pressure directed against the ITU, it became evident that the position of the ITU also challenged the RUC. Dronova complained to the oblast and central councils of the CCUHWU, alleging that the ITU was 'splitting the labour collective' (Sydorenko, the ITU president, interview III; Panasenko, FTUMWU president, interview). Combined with the lack of a unified trade union position in the matters of collective bargaining, this led to the inter-union rivalry and competition. Further evidence is provided in the form of pressure exerted on the ITU by the RUC and hospital management. Members of the ITU and their family members were persecuted and threatened with dismissal, after the establishment of the union. The president of the ITU, Sydorenko, was accused of rape without any solid grounds. The next day he was unwillingly registered as suffering from schizophrenia. He was forced to go to the military service office to be evaluated (Sydorenko, ITU president, interview).

The ITU counteracted such pressures by taking matters to court and appealing to the Prosecutor. The ITU alleged that the hospital management interfered in union affairs (which is prohibited by law). Due to the weak rule of law and time-consuming legal procedures, the ITU staged several protest and pickets. Protest activities were accompanied by an information campaign launched by the union in the city of

Zaporizhya. The campaign aimed to raise public awareness of the situation at the hospital; publicity being precisely the approach that Dronova critically opposed. The effective combination of such tactics nevertheless allowed the ITU to withstand the pressure applied by the management (ibid). However, some workers continued to be subject to pressure, even after the ITU had won several court cases and protests had taken place (Panasenko, FTUMWU president, Interview I). Over time the scale of the harassment did decrease, however, this situation had already warned other workers at the Zaporizhya hospital of the costs of membership in the ITU.

#### 7.2.4. Consolidation of the ITU

Protests and publicity campaigns gave the ITU experience in collective action and also helped it develop its capacity as a militant organization. Meanwhile, it also forced the head doctor and regional authorities to recognise the independent ITU and its militant approach. This recognition facilitated more constructive and dialogue-oriented relationships between the ITU and the head doctor. As Sydorenko stressed, in the beginning the ITU was seen as an enemy (Sydorenko, ITU president, interview I), but then it came to be perceived as a constructive player (Deputy Head Doctor, personal communication). “Of course, the fact that we monitor the actions of our employer does not make him happy, but at least he does not see us as anarchists any more, but rather believes that we really want a better life for our members” (Sydorenko, ITU president, interview I).

In 2007, all employees of the Zaporizhya clinical hospital repeatedly faced delays in the payment of wages, yet the ITU was informed by the municipal medical department that the funds had already been transferred to the hospital. The head doctor refused to answer the union’s inquiries, so the problem could no longer be solved through dialogue with the head doctor. The RUC refused to join the ITU in its demand that wages be paid (ibid). The ITU leadership then took the issue to the municipal medical department. The matter was solved within 10 minutes of the union’s request:

*“They made some conclusions and decided that it was easier, if they meet our demands before they have to deal with our actions [...] Even without arranging a PR campaign or an action, we just gave them a call. Why did they agree? Because they knew our union, they knew our strengths and our approaches to the matters. The administration thought it is better to obey the law than to face the problems afterwards, after we generate a conflict around the issue”* (Sydorenko, ITU president, interview II).

This quick resolution of the dispute with the head doctor demonstrated the degree of recognition that was now extended to the ITU. The earlier history of more adversarial union-management relations allowed the ITU to later solve some matters quickly

without organising additional protest activities. It became possible for the ITU to refrain from protesting, as the head doctor and regional authorities now reacted more quickly and in a more substantial manner to the issues it raised.

At the end of 2008 the ITU initiated a new bargaining round (Sydorenko, ITU president, interview follow-up). The ITU demanded that health and accident insurance and additional night shift payments be provided to hospital workers. During this same round of collective bargaining the ITU wanted to attract those workers who had remained members of the RUC in order to keep their access to discounted holiday vouchers. Holiday vouchers have been constantly provided by the RUC and hence, gave the RUC an advantage over the ITU, whose negotiated benefits were provided by the administration to all workers. Although initially the approach of the ITU towards the distribution of holiday vouchers differed markedly, Sydorenko started to think about engaging in the distribution of holiday vouchers. As he has noted, the ITU would have preferred to concentrate solely on members' wages and working conditions, however, a complete withdrawal from a practice that had lasted for decades would have been perceived by their members as union weakness (Sydorenko, ITU president, interview). The availability of holiday vouchers was a critical factor in workers decisions about whether to join the union or not. Consequently, the ITU decided to start to provide holiday vouchers as well (Udovichenko, ITU vice-president, interview). Besides from wage increases and work-related improvements, the ITU demanded that 0.5% of the hospital's wage funds be provided to trade unions for workers' recreation, as the law envisaged.

The hospital's management agreed to some of the ITU's demands, but was only willing to sign the agreement, if it included a clause which said that the hospital management would have no responsibility for the implementation of the collective agreement. This proposal was made on the grounds that not all of the funds envisaged for the hospital in the municipal budget were made available to the hospital (Sydorenko, ITU president, interview to Paraskevich 2010). Also, the management refused to include in the agreement the clause on the provision of 0.5% of the wage fund for medical workers' recreation (ibid).<sup>75</sup>

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<sup>75</sup> Earlier the administration had used to include this clause into agreements negotiated with the RUC. Since 2008 funds that have to be provided by employers for worker recreation were not made available to either of the trade unions at the Zaporizhya clinical hospital. The RUC didn't contest this decision, nor did it retreat from such leisure activities which were financed from union funds (Dronova, RUC president, interview). However, since the RUC did not insist on the enforcement of the collective bargaining, the clause could be easily included into the agreement. Now as the ITU controlled the implementation of the collective agreements, the administration refused to include the respective clause in the agreement (Sydorenko, ITU president, interview follow-up).

The further negotiations over subsequent months did not yield results. In response to the hospital management's refusal to include all the conditions demanded by the ITU, the ITU announced protest action. It was going to tie black ribbons to the emergency service vehicles (Paraskevich 2010). This would cause further conflict at the Zaporizhyya clinical hospital public. Shortly before the protest action was to start on the 15 May 2010, the head doctor of the hospital signed the collective agreement, which included all points raised by the ITU, including the two controversial points, with which the administration had not agreed earlier (ibid). The fact that the agreement was signed on Friday night (14 May 2010) at 9 pm shows that the issue became critical for the city authorities and the hospital itself. Once again, the ITU was granted legitimacy and its demands were satisfied prior to the planned protest action.

### *The Impact of the ITU's Activities on a New Sectoral Composition of Trade Unions*

Although the local struggles of the ITU achieved some gains, the ITU recognised that however many good collective agreements it might negotiate, the majority of the problems stemmed from national-level policymaking for the medical sector. The union saw corruption and the lack of legal enforcement and reforms as the root of all the problems that workers faced at the enterprise level (FTUMWU Second Congress, 28-29 January 2009, participant observation). The scale of problems demanded that unions advance their demands at the level of national authorities and the government. In this way, the ITU clearly felt the need to increase its influence at the national level (Sydorenko, ITU president, interview I). The leadership of the reformed CCUHWU refused to recognise emerging ITUs and so has outright refused to interact with ITUs.

In order to be represented nationally, the ITUs needed to establish independent unions in more than half of Ukraine's administrative units. Achieving this threshold would legally enable local independent unions to register a national-level union and allow them to scale their struggle up to the national level. Sydorenko travelled to different regions of Ukraine and sought out medical workers who would make their problems public and push regional authorities to deal with the problems. In response to the efforts of various leaders, more local unions were established across different regions of Ukraine throughout the mid-2000s (ibid; Panasenko, FTUMWU president, interview).

The national branch union of medical workers was finally established in 2007, when several individual ITUs united, establishing the FTUMWU. Crucially, however, these individual ITUs, which acted at the local level, were just emerging and had still not

achieved consolidation. Within this context, the resources that the FTUMWU had at its disposal were not even sufficient to have an office or to hire professional staff to formulate the unions' proposition of reforms. For this purpose, Zaporizhya's ITU started to cooperate with other independent union organisations on the formulation of their reform policy papers, the development of ideas for a health insurance system and the restructuring of the overall health branch. This facilitated the tightening of horizontal inter-union linkages that provided certain foundations for the national union FTUMWU.

Similarly, the RUC recognised that the nature of the problems (and solutions) that medical workers faced could be found at a national level. However, tackling the scale of problems in the medical sector exceeded the mission of the enterprise-based RUC. Since the Zaporizhya RUC had been a part of a broader structure of the CCUHWU, the RUC was (in structural terms) not an autonomous union organisation, as it remained a local committee within the structure of the CCUHWU (Dronova, RUC president, interview). This means that because the Central Committee developed and enforced union policy at a national level, policy development was not handled by RUCs. Local union committees contributed to the activities of the CCUHWU, when they were asked to do so, but there could be no initiatives coming from the RUCs themselves (ibid). This positioning of the RUC of Zaporizhya within the CCUHWU structure allowed the enterprise-based committee to receive certain services (expertise, advice, legal assistance and recreation) from the union's higher levels, but it also restrained its participation in national decision-making processes. Hence, Dronova did not see any way to influence wage negotiations other than through the policy approaches that the CCUHWU Central Committee was taking.

### *Trade Unions and Workers*

In spite of the high degree of dissatisfaction with their pay and working conditions, the majority of medical workers have remained members of the RUC. At the time of this research the RUC had around 3000 members, while the ITU was smaller in comparison, having 500 members. As leaders of the ITU (Sydorenko, ITU president, interview; Udovichenko, ITU vice-president, personal communication) pointed out, workers inherited a socialist mentality. Medical workers are seen as being very 'conservative' (Panasenکو, FTUMWU president, interview I) because the socialist system raised,

*"[...] a grey mass of people [...] [who] are very conservative and have been scared for years. The state with its punitive organs and prosecutors turned medical workers into a faceless mass of people in white coats. Every patient report a doctor writes is a letter to the prosecutor - if something goes wrong the relatives will complain. We have a lot of laws on patients' rights, but we have no single law protecting the rights of medical workers [...]"* (Panasenکو, FTUMWU president, interview II).

As the conservatism of medical workers was nurtured by their poor status under socialism,<sup>76</sup> this observation by Panasenko indicates that doctors still saw themselves being a part of a paternalistic system of governance without any means to articulate what they wanted from the system of governance. This could explain why ITUs were slower to emerge in this public sector compared to, for example, teachers, whose independent unions emerged much earlier. Additionally, workers hardly knew about the opportunities they might have to articulate their interests. Also, the ITU leadership recognises that the vast majority of the population have simply never heard of the independent trade unions (Udovichenko, ITU vice-president, interview).<sup>77</sup> This all aggravated a particularly problematic mentality of Ukrainian doctors:

*“Immediately after the collapse of the Soviet Union people were still Soviet. They had no idea what Western Europe was. We lived in a closed country. People came out of the collapse thinking that trade unions were for buying chocolates for the New Year and organising celebrations for children, holiday vouchers, sick leaves. [...] People in the conditions of the tough crisis do not know what trade unions are really for, what their mission and their tasks are. If they had known how they could have changed their lives through active trade unions for the better, the changes would have happened already [...] Without people maturing on the ground no changes are possible at the top” (Sydorenko, ITU president, interview II).*

These workers’ attitudes towards trade unions in general were seen as a reason why trade unions were having so much difficulty consolidating (Sydorenko, ITU president, interview II). Sydorenko and his peers recognised the need to address workers’ awareness about the role and functions of trade unions. This triggered the intensive information and awareness-raising activities of the emergency service doctors’ union in Zaporizhyya, a tactic frequently neglected by Ukrainian trade unions. The union concluded agreements with the local newspaper and published an article on the union’s achievements every month and the regional TV channel reported on the activities of the ITU every three months. It was at that point in time, that this research was finalised. This ITU’s campaign was trying to make it clear to workers that it was not the state, but rather workers themselves who were responsible for their well-being and that workers had to take responsibility for their own situations. The campaign was also aiming to help workers identify a new point of reference through the ITU.

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<sup>76</sup> Under socialism public sector workers, including medical workers, were paid much less than production workers because the socialist ideology praised production and manual work. These discrepancies in wage policy still characterise the situation in Ukraine. Medical workers continue to be paid very poorly and do not have any strong rights as doctors (in contrast to patients).

<sup>77</sup> These estimates of Sydorenko reflect the results of one poll conducted in Ukraine in 2000. According to this poll, 79.9% of respondents could not name a single union association in Ukraine, only 5.8% could name the former official FPU and only approximately 3.5% knew at least one independent trade union (UCEPS 2001). This indicates that the public is unaware of the processes taking place inside trade unions and the different positions of various trade unions.

### 7.3. Discussion

Two trends concerning union consolidation can be observed throughout the discussion above: an oppositional stance towards employers is held by some trade unions, seeing them as their counterpart; and a cooperation-oriented stance addressing workers and employers as a part of one and the same labour collective. During the consolidation phase, the opposition-based stance was associated in the cases in this chapter with both ITUs. Such orientation of the ITUs was reflected in their identity and mission to protect hired workers as opposed to employers as well as in their efforts to address workers' interests in relation to wages and problems at work, all of which conflict with the interests of management. The cooperation-based approach was associated with the RUCs and their orientation towards workers' interests that facilitate the unity of the labour collective and fall outside the category of work (such as holidays, recreation and material assistance). Yet, how has the concurrent consolidation of these approaches influenced the development of conflict-based worker representation? This section deals with this question of consolidation.

#### 7.3.1. Forms of Consolidation of RUCs and ITUs

The differences in the positioning of trade unions resulted in the consolidation of different union activities. ITUs at Sukha Balka and at the Zaporizhyya Clinical Hospital engaged with collective, wage-related problems as well as with individual problems faced by single workers, including the provision of legal advice and legal representation for these workers in the courts. Consequently, these same ITUs engaged in conflicts.

Adopting a different approach, the RUCs in both case studies engaged by providing material assistance and holiday vouchers. As Dronova, the RUC president at the Zaporizhyya clinical hospital said, the activities of her union aimed to give workers a greater sense of unity and bring them closer together in order to avoid conflict between workers and management. With regard to conflicts, as Bondar, ITU vice-president at Sukha Balka has noted, “[...] the other [reformed] trade union never creates difficult situations. In fact, its members do not receive any protection in terms of legal enforcement” (Bondar, former ITU vice-president, interview). In addition, workers participating in the case studies indicated that it was difficult for them to get their individual work-related conflict situations solved through the RUC (Sukha Balka workers, personal communication). As one of the workers noted:

*W: “I found myself in an extraordinary situation two years ago. I was myself partly to blame for it, but the management never wanted to understand me. And only the trade union [ITU] protected me.*

*LV: Why didn't you go to the other union [RUC]?*

*W: Because they [union officers] are useless, don't do anything for us. [...] The union president is walking around, he promises a lot [...] and then just hides. [...] And people saw that the leader is not serious. And here [in the ITU] we have Tretyakov – a very responsible and serious person [...] That's why we prefer to come here. [...] Here we know we have a leader who just cares for us, protects us" (Sukha Balka employee, personal communication).*

This quote indicates the persistence of a distance between the activities of the Sukha Balka RUC and workers' grievances, which has formed during the historical development of the consolidation phase.

### *Collective bargaining practices of RUCs and ITUs*

The differences between the RUCs and ITUs have manifested themselves clearly in the area of collective bargaining. At the Zaporizhya Clinical Hospital these differences made it difficult for RUCs and ITUs to develop a joint position for bargaining. Due to their orientation towards labour collectives and their preference for less conflict-oriented relationships with management, the RUCs' understanding of collective bargaining and agreements was limited. In the case of the RUC at the Zaporizhya hospital, Dronova was cited as saying that the issues of working conditions and wages were outside the responsibility of the head doctor:

*"it [wage increases or any improvements] is not about [union] influence. [...] It is not about what the head doctor wants or doesn't [...] If we [the medical sector] are financed from the state budget, the head doctor cannot [do anything] [...] What can he [do]? Even if he wanted [...] What can he [do]?" (Dronova, RUC president, interview).*

The RUC understood collective bargaining as a process, which reiterated the legal guarantees and a benefit structure centrally set by the government at the lower levels. This could explain why the collective agreement of the Zaporizhya Clinical Hospital contained a benefit structure, such as the provision of worker uniforms, protection of emergency doctors and work supplementary payments, but many of these benefits were not provided to workers. One would expect that a trade union would push for the enforcement and extension of their provision, but the reformed RUC did not adopt this strategy, as it did not consider the head doctor to be responsible for it.

The point is not that the RUCs did not ask management for better working conditions and higher wages. Rather, when they asked for higher wages it was characterised by a non-confrontational manner of advancing demands and an avoidance of conflicts. Given their lack of experience with more confrontational positions, RUCs have been significantly constrained in their capacity to enforce any demands for higher wages:

*"We agree [to low wages]. What means agree? [...] What else can we do? We cannot do anything else [...] There exists a [statutory] pay rate for the first grade. From here we dance. To the respective developments at the national level – take inflation or any other increases – we react immediately. And the management goes for this [...]" (Pechenin, RUC president, interview).*

As a result of the RUCs' attitudes towards management as well as their lack of ability in terms of conflict-based representation, Pechenin, the RUC president of Sukha Balka noted that they had to accept the employer's offer, as they did not see any means they could use in order to achieve improvements (ibid).

The ITUs took a completely different approach. The ITU at the Zaporizhya Clinical Hospital pressured management to implement contracted provisions and succeeded in getting some benefits provided to workers. Similarly, the ITU at Sukha Balka extended the scope of work-related benefits, setting a better benefit structure not only for Sukha Balka workers but also for those whose services were outsourced. In both cases confrontation and protest actions preceded the assertion of the ITU's demands. It can thus be argued that in these cases the ITUs' orientation towards workers' specific interests and militancy facilitated the consolidation of more conflict-oriented approaches of collective bargaining, in a way that the orientation towards labour collectives of the RUCs did not.

#### *Welfare Activities of RUCs and ITUs*

Notably, the agendas of both unions contained some traditional services, for instance, the organisation of recreation, which stemmed from the distributive functions originally allocated to trade unions under the socialist system of IR. Beyond the fact that the institutional structure of Ukrainian IR still provides the incentives for conducting such activities (Chapter IV), recreation was above all, a service desired by the workers. Against this background, however, the common provision of recreation by both ITUs and RUCs takes different forms.

RUCs inherited many recreational facilities, mainly attached to regional and national union committees as well as to some enterprise. The shares of the union budgets spent on recreation show the importance trade unions have allocated to these services compared to other activities. For example, with the exception of the funds provided by employers, Sukha Balka RUC spent 40% of its union budget on such services (Pechenin, RUC President, Sukha Balka, interview). At the Zaporizhya Clinical Hospital the management stopped providing money for workers' recreation in 2008, yet the RUC of the Zaporizhya Clinical Hospital covered this shortfall with a sizeable portion of the union's own budget (Dronova, RUC President, Zaporizhya clinical hospital, interview).

Similarly to the RUCs, the ITUs at both enterprises provided recreational services in order to satisfy the traditional expectations of workers and the resulting demands for

such services. However, ITUs were obliged to do it in order to be able to compete with RUCs for workers support and membership. As the ITUs strived to organise more workers, recreational service provision became a clear decisive factor in the workers' decisions of whether to join a trade union or not. As a result, several years after their establishment, the ITUs demanded the inclusion of a clause, providing funds for this in the collective agreement. In this way, they ensured the access to funds for recreation through law, in order for workers to gain these resources by law rather than RUC membership. ITUs did not spend additional resources from the union budget on the procurement of holiday vouchers, however, the distribution of holiday vouchers was a source of inter-union competition, which particularly challenged the ITUs.

### *7.3.2. The Concurrent Consolidation of RUCs and ITUs*

While the establishment of ITUs in the first emerging conflicts challenged the role of RUCs, the concurrent consolidation of both RUCs and ITUs has still not resulted in the ultimate establishment of conflict-based forms of worker representation. The installation of these forms of worker representation could potentially result from the consolidation of ITUs and dissolution of the RUCs, however, only at one of the two Sukha Balka mines, did its RUC dissolve. The consolidation of these ITUs did not lead to the dissolution of the other RUCs, in spite of the fact that the RUCs were not able to sufficiently represent workers during wage negotiations or conflicts. Also, under the conditions of multi-unionism, ITUs could potentially have had positive impacts on the RUCs by prompting RUCs to ensure workers' representation in collective bargaining and conflicts for instance. As the discussion of the forms of worker representation included above in this chapter has indicated, this was not a common pattern. At both the Zaporizhyya Clinical Hospital and the Sukha Balka mine, the RUCs were marginalised in the arena of collective bargaining. In spite of the consolidation of ITUs and benefits extended to workers, at both enterprises the majority of workers still remained members of RUCs, with few workers joining the ITUs. As this finding indicates, although the grip of former official unions was weakened by the emergence of ITUs, these same RUCs have been able to retain a considerable role in IR.

Against a background of remarkable differences emerging between the RUC and ITU in their organisational phases, the establishment and recognition of the ITU challenged the form of worker representation practiced by the RUCs, which excludes active articulation or even recognition of any work-related conflicts. With the emergence of ITUs, RUCs began to lose members, as some workers began to withdraw from RUCs to join ITUs.

First of all, initially the approaches to worker representation pursued by ITUs gained acceptance with those workers who found themselves in specific problematic situations and needed help: “People do not always want to deal with such situations individually. Those who join us are active workers. The rest stays with the other union [...] with holiday vouchers” (Bondar, ITU Vice-president at Sukha Balka, interview). Notably, while collective bargaining benefits negotiated mainly by ITUs were extended to all workers irrespective of whether they were members of a union, recreation and holidays were provided on the basis of membership in a trade union. In combination with the differences between trade unions, the exit of some of workers to ITUs caused competition between RUCs and ITUs. As a result, conflicts between both types of trade unions were emerging in the ITUs’ organisational phase. As the discussion above indicates, these conflicts endured far beyond the union organisational phases. Notably, when the ITU’s relations with the administration became more constructive at Zaporizhya Clinical Hospital, its relations with the RUC continued to be characterised by confrontation, also during the consolidation phases.

### *Inter-Union Relations*

When this first group of workers self-organised to form the ITU, further membership increases were problematic because of inter-union competition. Evidence of the rivalry is provided, for instance, by the fact that after the establishment of ITUs, the RUC of Zaporizhya Clinical Hospital began to complain to the CCUHWU and local authorities including the Prosecutor (Panasenکو, FTUMWU president, interview) that the ITU had caused a split in the labour collective. Also, Dronova took the ITU to the court:

*“[...] she [Dronova] continues the negative PR campaign against us as well as suing us in court. [...] For example, she recently accused me of going to France at the union’s expense, to learn from the experience of French workers protesting at that time on the streets. She could not prove that to the Prosecutor, as I have never even been to France!” (Sydorenko, ITU president, interview I).*

As a result of this inter-union rivalry, in both of the case studies discussed in this chapter, membership in the ITUs resulted in psychological pressure, dismissal threats and discrimination that were used by the administrations and RUCs in order to prevent the growth of ITUs. Sydorenko, the Zaporizhya Clinical Hospital ITU president and Tretyakov, the Sukha Balka ITU president, were both called to the police station for interrogation for their union activities. Particularly, pressure was exerted on ITU leaders, members and activists, when both ITUs began to grow after their organisational phases. This meant that the ITUs experienced a greater growth in membership during the organisational phase in comparison to the operational and consolidation phases.

Despite such attitudes, ITUs have not regarded RUCs as their rivals:

*"I believe there is nothing bad about the co-existence of two union organisations, the traditionally existing and newly established ones. If working conditions improve - then competition emerges. If it is a healthy competition, it leads to improvement in the quality of services. In this way both types of unions prompt each other to do something good for their members. But [...] we are threatened, in particular by the old union [...]" (Panassenko, FTUMWU, interview II).*

The ways in which Dronova sought to exclude the ITU demonstrate personality-driven rivalries. The rivalry between the two unions dated back to the personal ambitions of the president of the RUC, Dronova, and the ITU's president, Sydorenko. The ITU constantly invited the RUC to different activities and to join in collective bargaining. In contrast, the RUC took the ITU to court. Also, the RUC commiserated to the ITU because the RUC's leadership knew that the ITU did not possess enough resources for the organisation of free-time activities and events (Dronova, RUC president, interview). Indeed, resources have provided a problem for ITUs.

### *Resources for Union Development*

Although the ITU slowly increased its membership, the bulk of workers have still remained members in the RUC as a result of those obstacles which exclusively hindered the ITUs. The RUC provided leisure-time activities and paid for excursions, cultural events and holiday vouchers from a combination of its own funds and those of the CCUHWU.

The ITUs have not been able to provide any of holiday vouchers to workers during their organisational and operational phases. ITUs had no access to a centralised, collective pool of resources and the money collected in membership dues were not sufficient to cover the costs of all ITU activities. Given the medical workers' low wages (about USD 130) and the fact that only 1% of each member's monthly wage went as union dues to the ITU of the Zaporizhyya Clinical Hospital, this provided only a very small budget for the medical workers' ITUs, which already had fewer members in comparison with the RUCs (Panassenko, FTUMWU president, interview). Due to the higher wages in the iron-ore mining industry, the ITU of Sukha Balka operated from a stronger financial position.

The opportunities for the ITU to provide competent legal advice to workers were also more limited, for example, the RUC of the Zaporizhyya clinical hospital had access to the lawyers of the CCUHWU, while the ITU did not. In contrast, getting the advice of a lawyer or paying court charges, for instance, became a burden to the newly established ITU of Zaporizhyya Clinical Hospital, the budget of which was comprised solely of monthly membership dues. As the ITU aimed to provide workers with legal assistance, it was

they – the local union leadership – that had to get familiar with the relevant laws and identify good solutions and strategies. Similarly, the national ITU structure was dependent on its lower level organisations, emerging in the medical sector in the second half of the 2000s with the founding of the medical workers’ national union FTUMWU. In turn, the resources necessary for the functioning of the national union structures came from enterprise-based ITUs.

Notably, a different situation was observed at Sukha Balka where the RUC’s position was weaker compared to that of the RUC at the clinical hospital. The RUC of the Sukha Balka has not had the same access to its sectoral union after its relationship with its sectoral union deteriorated, when iron-ore miners were no longer economically considered to be ‘metallurgists’. Consequently, it has not had the same advantages that the RUC of the hospital had. By contrast, the ITU at Sukha Balka was assisted by the lawyer of its national NPGU that had itself been established prior to the establishment of the ITU.

Similar to the other cases of ITUs discussed in chapters V and VI, material and financial resources have helped RUCs to preserve their membership in these two specific cases of consolidation. Also, insufficient financial resources have inhibited the operation of both ITUs. However, in contrast to the cases of the concurrent development of RUCs and ITUs in earlier phases of development, resources have not ensured the exclusive jurisdiction of RUCs within the enterprise IR at Sukha Balka and the Zaporizhya Clinical Hospital. Neither in the case of the Zaporizhya Clinical Hospital nor in the case of Sukha Balka have close union-management relationships guaranteed that the RUCs hold a stronger position over the ITUs, as was common in the other cases of inter-union rivalry that were discussed in the earlier chapters.

At the Zaporizhya Clinical Hospital, the RUC has had a harmonious relationship with the hospital administration, although this has not made the union strong. The money for work-related improvements or social benefits and workers’ recreation, as has been typically provided to RUCs at other enterprises, was simply not there. At Sukha Balka, ‘non-civilised’ union-management relationships, as manifested in the management’s ignorance of trade unions, have not guaranteed the RUCs a strong position either. Although the ITUs have not completely overcome their resources-related problems, in their operational phase they have been able to affect the close relationship of RUCs and enterprise management to the extent that the relationship is no longer a guarantee that the RUCs are comparatively stronger than the ITUs. As a consequence, the RUCs examined in this chapter have not held the same strong position as those at AMKR and

Kyiv metro, where they were able to inhibit the establishment and operation of the ITUs. At Sukha Balka and the Zaporizhyya Clinical Hospital, the ITUs' consolidation was not blocked by the RUCs, as was commonly the case for other ITUs. This enabled the consolidation of the ITUs, even despite the fact that they have remained smaller than the respective RUCs in terms of number of members.

### *7.3.3. The Impact of ITUs on RUCs*

Although the ITUs' consolidation has enabled the development of conflict-based forms of worker representation, the RUCs' higher numbers of members and the preservation of their traditional, social practices of worker representation would indicate that the ITUs have had little impact on the changes within the RUCs.

Firstly, the RUCs' identification with labour collectives that has been clearly observed in their consolidation phases offered little opportunities to establish a conflict-based identity among workers. For labour collectives, the distinction between hired employees' and employers' interests is blurred: the RUCs of both Sukha Balka and the Zaporizhyya Clinical Hospital considered managerial staff (including the head doctor) to be a part of the labour collective. For instance, the perception of joint interests of employers and hired employees within the borders of labour collectives were clear at Sukha Balka, when the RUC targeted the state in an effort to find a solution to the conflict between Sukha Balka and KZRK. Belief in the overlap of managers' and employees' interests is explicitly articulated in the words of Dronova, who felt that any opposition-based orientation or conflicts should be avoided in that particular instance.

Secondly, the structural integration of trade unions also provided a difficult context for ITUs' to have an impact on the RUCs. The RUCs in both cases were part of the previously established structure of sectoral trade unions. The RUCs' structural integration helped them to preserve their existence, as they could make use of the experts and facilities attached to their regional and sectoral committees. For example, the provision of legal assistance and the organisation of children's recreation by the RUC of the Zaporizhyya Clinical Hospital would not have been possible without the help of the regional committee of the CCUHWU.

At the same time, this structural integration of the RUC also caused them to remain frozen in their traditional positions. RUCs were, in structural terms, not autonomous union organisations. Rather, RUCs were local committees within the larger structure of the sectoral trade unions. This meant that as long as the Central Committees developed

and enforced union policy at a national level, policy development was not handled by RUCs. Local union committees contributed to the activities of the Central Committees when they were asked to do so, but there could not be any initiatives coming from the RUCs themselves. This positioning of the RUCs within the national union structures allowed the enterprise-based committee to receive certain services (expertise, advice, legal assistance and recreational facilities) from the higher tiers of the union structure, but it also restrained its participation in national decision-making processes. A more corrosive situation was seen in the case of the Sukha Balka RUC. The president of the RUC at Sukha Balka noted that the links between the RUC and the union regional committee were weakened, when the sectoral Mining and Metallurgy Union became no longer responsible for iron-ore miners. However, this did not prompt union leaders to change to join the sectoral union of miners.

Finally, the ITUs' conflict-based representation approaches were challenged by a context shaped by a workers' mentality, which had been nurtured by the socialist system and maintained by RUCs through the re-enforcement of formal RUC membership:

*"They [workers] got used to thinking that somebody else would do the work for them, not that they should do it for themselves. They used to complain, "what can we do?" [...] People used to reply that somehow they would survive, let it remain as it is [...] People are afraid of change unless they don't know for sure that the change will result in a better situation. [...] And in order to know it will be better, one needs to dare to make a change. They are starting to realise the necessity of it after something really bad happens [...] it is only then that they would come to us clutching straws. So they came to us, saw how we work and it is only then they start to compare - ok, I went there and they helped me (they would think). [...] Everyone waits for the lord to come [...] This is a slave-like mentality. That's why it is so difficult to build independent unions here in Ukraine. Unless we stop being slaves to ourselves nothing will change and we will keep living like we have" (Komar, the former vice-president of the ITU of Sukha Balka, interview).*

This mindset of workers at Sukha Balka was strongly demonstrated during the miners' strikes of 1993-1994, described above. Many workers promised to support the strikes, but retreated when they actually began. The workers' fear of change also caused them to remain members of the RUCs. Within this context, the ITUs and self-organising activities have been negatively affected just as much as the ability for the RUCs to maintain its membership has been supported, because workers had been the members of the RUCs since the socialist period.

#### **7.4. Conclusion**

Both cases examined in this chapter showed the relatively quick consolidation of newly emerging trade unions. Unlike the previous cases discussed above, in which RUCs have been able to block the ITUs establishment or inhibit their operations, in the cases of both Sukha Balka and the Zaporizhya Clinical Hospital the RUCs could not preserve their

traditional monopoly in the IR arenas. Especially when it comes to collective bargaining, the RUCs were participants rather than initiators of the processes. This did not mean that the continuing RUCs changed their stances within their enterprises, though at one of the two Sukha Balka mines the RUC did dissolve. The remaining RUC at Sukha Balka and the one at the Zaporizhya Clinical Hospital continued to maintain their stance and considerable positions in the areas in which they have traditionally possessed expertise, such as organising recreation.

The discussion of the different dimensions of union activities has shown that differences between the ITUs and RUCs at the two enterprises discussed above resulted in the consolidation of the respective unions' approaches to worker representation. The approach by the ITUs at both enterprises was confrontation-based and mainly relied on bargaining. At the same time, the approach of the RUCs at both enterprises was confrontation-free and mainly relied on the preservation of unity and peace within the labour collective. These different approaches to collective bargaining inhibited RUCs and ITUs from developing a joint position in bargaining. Also, these same differences between trade unions made it difficult for RUCs and ITUs to concurrently consolidate their union organisations.

By committing themselves to the representation of whole labour collectives and without any background in more confrontational positions, RUCs have been significantly constrained in their capacity to enforce any demands for better wages and work-related improvements that were not immediately guaranteed by their employers. By contrast, the ITUs pressured management to implement the contracted provisions and extend work-related benefits by means of confrontation and protest actions. In these cases the ITUs' orientation towards the workers' specific interests and their militancy facilitated the consolidation of more conflict-oriented approaches of collective bargaining than did the approaches of the RUCs. With the emergence and operation of more conflict-oriented ITUs, the hold of the former official unions was weakened. Also, RUCs began to lose their members, as some workers began to withdraw from them and join ITUs instead. This resulted in competition and rivalry between RUCs and ITUs.

This rivalry has inhibited the formation and operation of ITUs, as has been demonstrated in this chapter. At both enterprises pressure was exerted on union leaders and members. As pressure was especially exerted on ITU leaders, members and activists, when both ITUs began to grow after their organisational phases, this meant that ITUs experienced a greater growth in membership in the organisational phase than

operational and consolidation phases. Due to inter-union rivalry and conflicts, the access of ITUs to IR arenas and their participation in collective bargaining has been consistently inhibited by the RUCs. Notably, the exclusion of the ITUs from collective bargaining initially sought by the RUCs was preceded by very little use of collective bargaining structures or processes by the RUC itself.

However, in contrast to the other cases of ITUs that have been discussed in this dissertation, inter-union rivalry at Sukha Balka and the Zaporizhyya Clinical Hospital has not prevented the consolidation of ITUs. The access of the ITUs to collective bargaining at Sukha Balka and the Zaporizhyya Clinical Hospital was facilitated through the support of labour collectives. Despite the resistance of RUCs to the inclusion of the ITUs in bargaining, it was precisely due to the support of labour collectives that both ITUs gained access to bargaining the same year or year following the establishment of the union. This offered much better pre-conditions for the consolidation of both ITUs than was the case for the ITUs at LAZy, AMKR and Kyiv metro. As a result, the inability of the RUCs to completely block the ITUs from joining the arenas of IR resulted in a division of the spheres of activities between RUCs and ITUs and has enabled the ITUs' consolidation.

As both RUCs have not received the necessary support of labour collectives, ultimately, close union-management relationships have not guaranteed a stronger position for RUCs than ITUs in terms of access to collective bargaining. The strength of the RUCs' alliances with management was common amongst the cases of inter-union rivalry discussed in previous chapters, but could not be observed at Sukha Balka and the Zaporizhyya Clinical Hospital. Although the RUC of the Zaporizhyya Clinical Hospital continued to maintain their 'harmonious' relationship with management, these relationships have not granted RUCs improvements in wages or working conditions. As a result, they have not granted any powers to the RUC over the ITU. At Sukha Balka, 'non-civilised' union-management relationships, as manifested in the management's ignorance of trade unions, have not guaranteed strong positions for the RUC either. Additionally, by establishing constructive relationships with management, the ITUs have been able to further affect the close relationship between RUCs and enterprise management to the extent that the relationship has no longer guaranteed the RUCs' strength over the ITUs. As a consequence, neither RUC had the same strong position of the RUCs in the other cases, in which RUCs had been able to inhibit the establishment and operation of ITUs. As a result, at Sukha Balka and the Zaporizhyya Clinical Hospital, the ITUs' consolidation was not blocked by the RUCs, as had commonly occurred with

other ITUs. This enabled the consolidation of the ITUs, even though the ITUs have remained smaller than the RUCs in terms of the number of members of each trade union. Secondly, against a background of inter-union rivalry both union organisations of the Zaporizhya Clinical Hospital utilised different structures and activities and thus each of the unions could concentrate on their own separate areas of expertise. The RUCs continued to focus on the distribution of recreation vouchers and to organise the activities that brought members of the labour collective closer together, such as leisure-time activities, excursions, trips and other cultural events (Dronova, RUC president, interview). The ITU did not threaten the RUCs' activities; it has had no strong interest in holiday organisation. Instead, the ITU continued to focus on bargaining, enforcing provisions listed in the collective agreement and individual protection of workers. These are areas where the RUC has not possessed the capacity to challenge the ITU in its consolidation phase. From this perspective, in their consolidation phases the RUC did not pose any threat to the ITU just as the ITU did not pose a threat to the RUC.

Certain implications for the enactment of the institutional infrastructure of IR and for the consolidation of worker representation arise from these cases. Within a context shaped by a lack of ability amongst RUCs, the ITUs' consolidation enabled the development of conflict-based forms of worker representation. The hold of former official unions was weakened due to the emergence of ITUs. However, while the establishment of ITUs has challenged the role of RUCs in the first emerging conflicts, the concurrent consolidation of both RUCs and ITUs has still not resulted in the ultimate installation of conflict-based forms of worker representation through RUCs. At the same time, as higher numbers of members and the preservation of RUCs' traditional social practices of worker representation indicate, RUCs have been able to retain a significant role in IR.

## Chapter 8. Union Realities: Cross-Case Analysis

The case study analysis developed in the three preceding chapters investigated changes in union identity and interest constellations, union agendas and forms of union action, and patterns of development of worker representation in terms of union formative processes. In the first pair of cases – the RUC at Lafarge Mykolaivcement and the RUC and ITU at LAZy – the specifics of union identities, agendas, structures, sources of power and relationships with management and attitudes to conflicts were explored in order to identify the goals and the underpinnings of different interest constellations and forms of actions that are developing in Ukraine during the formative moment of the critical juncture. The second pair of cases – AMKR and Kyiv metro - provided an opportunity to examine the concurrent operation of RUCs and ITUs at the same workplace in detail. Finally, the cases of the Zaporizhya Clinical Hospital and Sukha Balka were included in order to investigate specific examples of the consolidation of forms of worker representation. This chapter will discuss the findings from Chapters 5, 6 and 7 relating to changes and concurrent formative processes of RUCs and ITUs in light of the hypothesis and research on post-socialist trade unions.

As successor trade unions were formed in historically specific circumstances, their practices to contain conflicts, active commitment to fulfilling the mandates as social and welfare departments and loyalty to management were commonly stressed in the literature as the premises of the path-dependent reproduction of the previous model of worker representation (Ashwin 1997, 2004, 2007, Bocharov 2001, Clarke 2005, Clarke and Fairbrother 1994, Crowley 2001, Gerchikov 1995, Kabalina and Komarovskiy 1997, Kozina 2001, 2002, Kubicek 2007, Ost 2006, Pankow and Kopatko 2001, Pollert 2000, Vyshnevs'ky, Mishenko, Pivnyev et al. 1997). However, as the case studies show, RUCs decisions not to engage in conflicts then created situations, where an organisational form for conflict articulation emerged outside of those respective RUCs, when the activities of the ITUs were characterised by active involvement in conflicts at a given point in time. This concurrent development of RUCs and ITUs is of central importance for understanding the changes in terms of different interest constellations, union forms of actions and forms of worker representation in the post-socialist countries and in Ukraine specifically.

The types of changes observable during the organisational phase may be drawn, in accordance with Deeg (2001), along on-path and off-path changes in addition to path-dependent conduct. Deeg (ibid: 14) understands adaptations to new situations in terms

of on-path changes. In his view, even during new situations, the specific patterns of constraints and incentives (institutions) still generate the same ‘typical strategies, routine approaches to problems and shared decision rules’ and thus produce predictable patterns of behaviour from actors. Off-path changes are then understood as those adaptations of formal (key laws and regulations) and informal (cultural and normative) institutions which together lead to the creation of a new ‘logic’ and off-path institutional change.

## ***8.1. Emerging Union Paths, Interest Constellations and Interest-Based Conflicts***

### *8.1.1. Labour Collectives and Changing Interest Constellations*

Union identity has had a clear and detrimental impact on the development of different interest constellations and interest-based conflicts, because it pre-determined and limited many union relationships with employers and organisational attitudes towards the conflicts. Under the socialist system of IR, worker representation was explicitly understood as representation of the entirety of the ‘labour collective’ including management. Amongst many ITUs considered in this thesis, the continuity with this approach to worker representation cannot be observed.

#### *Identity, Relations with Management and Attitudes to Conflicts of RUCs*

The most illustrative case of a union identifying with a labour collective was the case of the RUC of the Zaporizhya hospital: “It is everybody’s [management and union] task to let the hospital’s labour collective work smoothly and in a unified manner. [...] Everything depends on the cohesiveness of our collective” (Dronova, RUC president of Zaporizhya clinical hospital, interview). Similarly, Mazolevich, the president of the RUC at the Kyiv metro continued to see the union role in terms of serving both employers and workers:

*“[...] every union leader should make up his mind whether he is with you [hired workers] or with the management [...]. In such cases I used to say –run with the hare and hunt with the hounds [... then] the wolves are sated and the sheep intact [...] There is no other way [for unions] possible [...]”* (Mazolevich, the RUC President at the Kyiv metro, interview).

Under the new institutional structure of IR this orientation towards a labour collective resulted in the cooperative and conflict-free approach of RUCs towards management: “[...] there should be no confrontation between the management and trade union. Our joint goal is the well-being of people” (Dronova, RUC President at the Zaporizhya clinical hospital). The RUCs’ orientation towards labour collectives, as explicitly articulated by the leaders of the RUCs examined here, showed that conflicts of interests have been

undesirable, the direct expression of conflicts – “[...] a deviation from some natural equilibrium” (Ashwin and Clarke 2003: 270). As the RUCs repeatedly stressed, work-related conflicts would only endanger the well-being of the labour collective and undermine the operation of the enterprise.

As such cooperative union-management relations were, in some cases, threatening to take the form of ‘over-exaggerated loyalty’ (Kozina 2001) or ‘union subordination’ to enterprise management (Ashwin 2007, Ashwin and Clarke 2003), the RUCs’ cooperative attitudes towards management thus precluded any conflict of interests from emerging within the enterprise. Consequently, conflict avoidance as well as externalisation of conflicts through conflict-resolution institutions characterised RUCs’ attitudes and actions towards conflicts. The finding converges with those of Ashwin (2004) and Kozina (2001, 2009), who stressed that post-socialist trade unions are revealing a clear continuity with past practices of conflict articulation. As Clarke and Fairbrother (1994: 395) have argued, the “[...] traditional pattern of trade unionism and workplace IR proved an extremely powerful and effective means of limiting workers’ needs and containing their aspirations”. Such attitudes compromised any opportunity for independent articulation of workers’ specific interests during situations of conflict.

#### *On-Path Changes in Identity, Relations with Management and Attitudes to Conflicts in RUCs at Foreign-Owned Enterprises*

This orientation towards the labour collective was also observed at the slightly more conflict-oriented AMKR and Lafarge Mykolaivcement RUCs, although some changes were observed as well. Local (domestic) management has been a part of labour collectives. The domestic administrative staff of the enterprises were also hired workers and so were affiliated and represented by the union (Bassarab, RUC President at the AMKR mining department, interview). At the same time, it is important to note that foreign management has not been a part of labour collectives. Rather, a foreign management would be seen as ‘a new player’ in enterprise IR, a target for confrontation. The ‘new’ management would no longer believe it was obliged to include the union into certain arenas of IR (for instance, wage or social affairs commissions) or to maintain social facilities and pay for social contributions as used to be common practice.

These changing interest constellations and understandings became one of the stumbling blocks in the relationship between the union and the foreign management at Lafarge Mykolaivcement and AMKR, providing a source of numerous interest-based conflicts (e.g. over wages, lay offs and payments for social and welfare activities). As these unions’

approaches of conflict articulation however showed, trade unions used the external political arenas and political pressure in order to get these conflicts solved. As these trade unions did not make use of or even attempt to develop their organisational strength and collective actions, on-path changes in terms of the union identity were taking place, but the politicisation and externalisation of conflicts through these RUCs were still keeping their union representation practices on their existing path.

### *Identity, Relations with Management and Attitudes to Conflicts of ITUs*

In stark contrast, the ITUs' emergence in situations of conflict naturally resulted in changing interest constellations and interest-based conflicts. The emergence of ITUs during conflicts over wages and working conditions precluded the representation of the entirety of labour collectives. The ITUs identified with workers *as opposed* to the management. For example, as Ditkovsky, the ITU president at Kyiv metro stressed:

*"[...] The employer has no influence on the adoption of any decisions in the ITU. This is the major difference [as compared to RUCs]. Trade unions a priori should counteract administration [...] it has always been like this in the course of development of relations between employer and hired workers"* (Ditkovsky, the ITU President of the Kyiv metro, interview III).

Similar opposition was demonstrated by the ITUs at the Zaporizhyya hospital, LAZy and Sukha Balka, when taking the issue of unpaid wages up with their respective managements rather than with their regional governments. These ITUs adopted a clear position, maintaining that there are employers and hired employees involved in the employment relationship and that those interests are not identical.

The activities of ITUs in response to violations of workers' rights generated further sources of conflicts related to wages and working conditions. Hence, as shown by the case studies above, the ITUs' emergence and growth in situations of conflict naturally resulted in confrontational relations between ITUs and management at various enterprises. The case studies have revealed that the confrontation between ITUs and management was more far-reaching, when compared to the antagonistic union-management relationships familiar within IR relationships. As Clarke and Fairbrother (1994: 389) have observed, "[m]anagement has shown itself determined to prevent the emergence of independent [union] organization, and has sought to neutralize initiatives by a judicious combination of conciliation and repression". This confrontation between ITUs and management was present in every case study, highlighting how all of the ITUs and their leaders and members were subjected to pressure from management.

## *Labour Collectives and Their Effects for Changing Interest Constellations*

The labour collectives had corrosive implications for the establishment of the changing interest constellations and interest-based conflicts in IR.

First, this identification with labour collectives has impinged on the possibility of conflict-based workers' identity to develop. Importantly, labour collectives in post-socialist settings were not a product of workers' collectivity. Regarding conflict-based identities, labour collectives are thus inherently limited organisations; they did not unite workers around the joint interests they may hold in opposition to management. As no clear line is ever drawn between workers' specific interests and the interests of employers, the conflict of interests remained fundamentally compromised within the existing path even under the new institutional system of IR.

Second, although under the conditions of pluralism installed by the new institutional structure of IR one would expect that the involvement of the ITUs in work-related conflicts would ensure the articulation of a growing number of conflicts in formal IR, this was far from being the case in enterprise-based arenas of IR. In law and in practice, the admission of a trade union to different arenas of IR - collective bargaining, for instance - formally depended on the outcome of a conference of the labour collective. At this conference, workers would vote to select the representatives for collective bargaining from the candidates of the various unions. As the majority of workers were organised in RUCs and RUCs' presidents have traditionally organised these votes of labour collectives, consequently, the admission of ITUs to bargaining also depended on the readiness of RUCs to include ITU representatives into bargaining commissions. As the RUCs refused to include ITU representatives into the commissions, ITUs were inhibited in their subsequent operation by being excluded from enterprise-based IR arenas from the very moment they were established.

The capacity of RUCs to control labour collectives, however, had its limits. In those conflict situations (e.g. over wages) in which workers raised the voice of the enterprise's labour collective and in which RUCs had continually chosen not to engage in conflicts in any way, RUCs were losing legitimacy and had no such influence on labour collectives. For instance, precisely in such a situation, the vote of the labour collective provided the ITUs at Sukha Balka and the Zaporizhya hospital quick access to the IR arenas, enabling their admission to the institutions of collective bargaining and other work-related commissions (Chapter 7). At the same time, RUCs could re-gain the influence on labour

collectives, even after such critical moments of lost support and legitimacy (this issue is discussed in more detail below in this section), as labour collectives could withdraw their support for an ITU after the initial conflict had been solved. In contrast to Sukha Balka and the Zaporizhya hospital, at the Kyiv metro the ITU enjoyed more support from workers when, at one such meeting of the labour collective, it was delegated to represent workers in court. However, the ITU was not supported by the collective during the voting of candidates for collective bargaining.

One possible explanation for this difference between these cases of the ITUs can be in the fact that during the critical moment of dispute RUCs' legitimacy was almost lost, workers' participation in ITUs and their support for the activities of ITUs were high and set-up costs of ITUs low. But workers' participation in ITUs and their support diminished during ITUs' subsequent operational phases, when the set-up costs of ITUs were increasing as a result of management pressure and RUCs were re-gaining their legitimacy through social and welfare activities.

It would then depend on the phase of the union formation, in which the critical moment of the vote of labour collective takes place, as well as on the arena of conflict articulation. At the Kyiv metro the ITU enjoyed support from the labour collective when the RUCs refused to apply to court and the ITU was delegated to represent workers in court, an arena outside of the Metro (when compared to enterprise-based arenas of collective bargaining). Later, during the voting of candidates for collective bargaining, the set-up costs of ITUs had already increased, when subsequent confrontation of ITUs with the management and the RUC, provoked by the court action of the ITU, resulted in the metro management putting targeted pressure on the ITU leaders. As a result of pressure from managements and RUCs, participation in the activities of ITUs has always posed risks for workers. Hence, in order to benefit from the collective protection that could be provided by ITUs, workers had to accept a price for their participation. The threat of pressure and persecution was ever-present.

Meanwhile, the establishment of ITU pushed the RUC's leadership to develop strategies to maintain their position of leadership by expanding enterprise-provided social services (Mazolevich, Kyiv metro RUC's president, interview). ITUs defamed social and welfare activities. As a result, the ITU was not supported by the labour collective during the next voting – that of candidates for bargaining. In contrast, due to the Sukha Balka ITU's demands that it be included in collective bargaining right at the beginning of the moment of dispute (enterprise-based arena) rather than with their regional

governments (an arena outside Metro), at the next labour collective's conference popular support was given to the ITU, when the collective voted for the ITU to represent the collective in the upcoming round of bargaining and before the set-up costs of the ITUs increased. Once ITUs were initiators rather than observers of the arenas-related processes, it was not possible for labour collectives to withdraw their support.

An additional explanation could be the fact that the Zaporizhya hospital is part of the communal property of the city of Zaporizhya; the most likely case for the domination of RUCs, with the hospital's budget (and consequently wages) being allocated by the City Council, strong paternalistic union- management cooperation and hardly any space for wage negotiations. In contrast, Sukha Balka is a privatised enterprise owned by the private company with the wages being an issue of union-management negotiations. However, Sukha Balka used to be state-owned with the same characteristics in terms of union-management relationships and wage situation, when the ITU started to participate in the IR arenas due to labour collective's vote. Similarly, the case of the Zaporizhya Clinical Hospital (with a similar outcome of the labour collective vote for the ITU to represent the collective in the bargaining over wages) does not support this explanation, as the hospital is part of the communal property and subjected to the domination of RUCs, paternalistic union- management cooperation and city budget allocations too. Nevertheless, it was still possible for the workers and the ITU to demand the payment of wages by pressuring the head doctor (instead of the regional government, as in the case of Metro). Alongside labour collectives and the phase of the union formation, the (state or private) ownership of the enterprise was important, albeit its impact was still conditioned on the phase of the union formation and the arena of conflict articulation that the ITUs chose to enter.

The institution of labour collectives thus had a significant impact, when it comes to the changing interest constellations and the establishment of conflicts of interests. First and foremost, labour collectives contributed to constraining the development and expression of potential conflicts of interest between workers and management, thus enforcing the development on the existing conflict-free path. Yet, under the pressure of chronic conflicts, mostly relating to wage arrears, it also provided some opportunities for ITUs to establish their organisational presence. Hence, under the conditions of weak law enforcement, alongside the changing interest constellations and emerging interest-based conflicts, the earliest expressions of conflicts of interest were conflicts over the recognition and subsequent existence of ITUs in relation to the coexisting RUCs within the existing labour collectives.

### *8.1.2. Union Agendas and Forms of Actions and Activities*

#### *Traditional Agendas and Activities: the Cases of RUCs*

The differences in union identities discussed above were also expressed in union agendas. Within the context of both the concurrent development of RUCs and ITUs and RUCs weakening legitimacy, some incentives have existed for RUCs to maintain their traditional agendas and approaches. Extensive social and welfare activities (such as ad hoc material assistance, holiday presents, joint free-time activities and, most importantly, recreation and holidays) were instrumental in helping the RUCs to strengthen RUC position and legitimacy within the enterprise-based IR during the operational phase. In addition to the funds normally provided by employers for workers' recreation, all RUCs spent a significant share of their budgets on such activities. All RUCs successfully negotiated significant amounts of monetary support from enterprise management, which exceeded legally set standards, with clauses on the provision of this support in the collective agreements. Kozina (2002) has similarly found that these distributive functions have ranked highly in terms of importance, while the more directly protective functions have been consistently ranked in a secondary position. RUCs were able to ensure additional funds for recreation by means of negotiations with management of even better provisions of collective agreements of social payments to RUCs, with the institutions of collective bargaining being filled with the 'traditional' contents relating to the union social functions.

Despite this orientation being commonly depicted in the literature as union weakness, the case studies have shown that it has been precisely this agenda that has underpinned the RUCs' position within enterprises (as related to ITUs) by means of the preservation of membership numbers and re-gaining its legitimacy. This is evidenced by the fact that, because workers' wages were not sufficient to cover holidays, workers have remained members of RUCs despite their dissatisfaction with the unions' activities in other areas, including such critical areas as wages and representation in conflicts. As the provision of housing, cars and holiday vouchers for the whole family of a worker continued to depend on the worker's membership in the RUC, it did not make sense for workers to withdraw from RUCs despite any feelings of dissatisfaction. As the RUCs' legitimacy was no longer granted from above by order of the Communist Party, persisting with the same strategy of distribution against the background of a drastic decline in wages has underpinned the legitimacy of RUCs during their operation phase, although this reduced the pressure on RUCs to develop their capacities for any independent mobilisation.

Ultimately, furthermore, the welfare-oriented agenda of trade unions strengthened the path-enforcing effects of the labour collectives, as it required conflict-free union-management relations. Possible union-management conflicts could threaten the reliable supply of resources to RUCs even in spite the fact that consistently, Ukrainian laws have obliged employers to transfer funds for workers' recreational activities and additional holiday vouchers to be distributed by trade unions (Chapter 4). The RUCs' continued welfare activities and these paternalistic obligations of management as set in law and collective agreements have not provided rich terrain for conflicts of interests or for mobilisation activities to grow and develop. This was even the case at the Zaporizhya Clinical Hospital, the most likely case for paternalistic union-management cooperation and stronger social and welfare activities. At the hospital the administration stopped providing the money for workers' recreation in 2008, yet the RUC of the Zaporizhya clinical hospital did not protest and even covered this shortfall with a sizeable portion of the union's own budget.

By preserving the welfare-oriented agenda and their role as 'the agents of social benefit' (Kahmann 2003), the issue of wages has had a negligible role in the welfare-oriented agenda of the majority of RUCs. This has been clearly demonstrated by the RUCs' consistently compliant positions in terms of wages. For example, at Kyiv metro, the issue of wages played no role at all and was not included in collective agreements secured by this same RUC until 2005. Even when wage rates started to be included in the collective agreement, the agreement simply mimicked the minimal wage increases set by the respective branch agreement. The position of the Zaporizhya hospital RUC is even more extreme in regard to wage issues; it considered them to be an issue to be dealt with by the politicians at the national level, having little relevance at the local level. Similar to the findings regarding union identity, the manner, in which the RUCs formulated their agenda, thus re-enforced the development of worker representation on its traditional path. This agenda, combined with a lack of capacity to enforce workers' distinct interests, has not been conducive to changing forms of actions. In this way, the agenda of RUCs led them to reinforce and maintain conflict-free approach to worker representation embedded within negotiations and without resorting to mobilisation.

#### *On-Path Changes in Agendas and Activities: RUCs at Foreign-Owned Enterprises*

Criticism related to the enterprises' social obligations is particularly likely to be raised after privatisation and especially at enterprises owned by foreign owners (e.g. Samara Research Group 1996, Varshavskaya and Donova 1996). Consequently, the cases of

RUCs at privatised and foreign enterprises are expected to be the most likely cases for the diminishing social functions of trade unions. This expectation has not however proved true in the cases of RUCs at two foreign enterprises - AMKR and Lafarge Mykolaivcement. Both RUCs strived to ensure its continued role of being responsible for social functions and activities and leading to the immense 'social package' of AMKR, including the commitment of the enterprise to ensure the reliable supply of resources to RUCs. The cost of 'the social package' included in the purchase and sale agreement on the initiative of the AMKR RUC at the Mittalsteel-owned enterprise amounted to almost the same amount of Mittalsteel's purchase payment for Kryvorizhstal (Sakhno 2006).

Criticism related to the enterprises' social obligations was raised by foreign owners in both cases. However, consistently, Ukrainian laws have obliged employers to transfer funds for workers' recreational activities and additional holiday vouchers to be distributed by trade unions (Chapter 4). Additionally, the AMKR RUC turned to lobbying the State Property Fund of Ukraine (SPFU), which was responsible for privatisations, to include the issues of even larger welfare-related payments (than those that were legally set through the law) into the purchase and sale agreement as the union's conditions for the Kryvorizhstal privatization. This social package suggested by the trade union shows that the union also strived to ensure its continued role of being responsible for social functions and activities through its participation in every privatisation-related audit by the SPFU. Union-state alliance (at least at the AMKR) and additionally, significant constraints rooted in the workers' traditional perception of the unions' role as being responsible for holiday vouchers and presents seem thus to counteract those affects of the foreign ownership that are likely to target union social and welfare functions.

Although they also reveal strong commitment to social and welfare activities, it is also important to note that these cases do not fully conform to the position of RUC regarding wage-related agenda depicted above. In contrast to other RUCs, wage-related demands and demands for social services, however, enjoyed equal number and priority. Wage increases set in the Sectoral Agreements were wholly insufficient. The collective agreements at both enterprises initially documented its arrangements in terms of comparatively better wages and wage increases larger than those that were legally set through the minimum wage and even the Sectoral Agreement, raising workers' wages to the highest in these sectors. These changes in the RUCs' agendas can be explained by the fact that as a foreign management would be seen as 'a new player' in enterprise IR (and not a part of the labour collectives), it was a target for confrontation. This understanding provided a source of numerous interest-based conflicts. Quite logically, it also led to

changing agendas of both RUCs, without the path of distributive unionism being given up completely.

Aside from the path-enforcing effect of social and welfare agenda, trade unions traditionally used the external political arenas and political pressure in order to get their wage gains, which kept them on the existing path in terms of their forms of actions. Wage increases of the same scale could no longer be sustained by these two RUCs later during their operational phases. As both RUCs had relied on the political pressure before, the unions had not developed an autonomous strategy to address these issues in such situations of weakening political support (AMKR) or even exclusion from the arenas of voluntary regulation of wages (Lafarge Mykolaivcement). At Lafarge Mykolaivcement, this happened when management revised the system of remuneration and no longer believed it was obliged to provide the union with all the information relevant to the wages calculation practices. At AMKR, this happened when both the financial crisis and weakening cooperation with the SPFU put wage gains (and social obligations) under threat. As these unions did not make use of or even attempt to develop their organisational strength and collective actions, the politicisation and externalisation of conflicts were keeping these RUCs on their existing paths in terms of forms of actions.

### *Militant Agendas and Activities: the Cases of ITUs*

In contrast, the emergence of the ITUs during enterprise-based conflicts pre-supposed the ITUs' engagement with issues such as delayed wage payments and wage increases. For instance, the ITUs initiated collective and individual court cases on wage payments, mobilised workers and ensured that the payment of wages was made regularly. As the agenda and activities of ITUs have been dominated by work-related problems and mobilisation acts, this type of agenda and activities has indicated a break with the previous path of worker representation exclusively through paternalistic negotiations or union-management and political alliances.

Yet, during conflicts, ITUs have enjoyed strong support of many workers irrespective of workers' enduring expectations of holiday vouchers from their trade unions and mobilisation yielded results. However, immediately after conflicts were resolved, the protective activities of ITUs have not resulted in the membership of the ITU increasing rapidly and immediately during their operational phases. After receiving ITU assistance, worker-members of the RUC still refused to join the ITU in spite of the fact that their

cases had been resolved in their favour. Even though many workers benefited from the successes of ITUs and turned to them for assistance when they were dissatisfied with the quality of representation provided by RUCs, the ITUs' lack of ability to provide discounted holiday vouchers has led workers to maintain their RUC memberships. When transitioning to the operational phase of trade unions, the number of members of ITUs remained low when compared to RUCs, thus making mobilisation more difficult.

### *Social-Welfare Activities and Their Implications for New Forms of Actions*

Continued adherence to the welfare-oriented agenda by RUCs has had corrosive implications for ITUs. The socialist model, where worker participation in the trade unions was based on the provision of workers with holiday vouchers and obligatory membership of workers in trade unions, was based exclusively on consumption-based (as opposed to collectivity-based) union-worker relationships.

As workers' membership in trade unions still continued to remain consumerist, these consumerist practices had corrosive implications for the development of ITUs, whose structure was built on the basis of workers' collectivity. ITUs depended on workers' participation in protest actions in order to gain recognition from management. However, it is precisely the common practice of consumption-based membership of workers in trade unions, which has inhibited the cultivation of workers' militancy within the ITUs. The circumstances of the ITUs' emergence – under the pressure of conflicts over wages – shaped the collective conception of union-worker relations, basing it on workers' active participation in trade unions for the achievement of a joint purpose. At the point of their emergence, the escalating anger of workers over unpaid wages helped ITUs to build much stronger worker unification and participation in ITUs. However, the workers' participation in ITUs and their support for the activities of ITUs diminished during ITUs' subsequent operational phases. For instance, LAZY workers, who had their wage arrears paid, subsequently withdrew their support for co-workers who continued to protest (as some had not yet received any of the money owed to them). Similarly, at Sukha Balka only a few miners remained underground during the 1994 strike organised by the ITU. Other workers who had previously participated in strikes had abandoned the struggle.

Furthermore, having received union welfare-oriented services for several decades, workers' membership in a trade union became linked to holiday vouchers. Workers' rights to receive enterprise-based social benefits, which fulfil their basic needs, were dependent on their RUC membership. By contrast, the benefits of collective bargaining

achievements that had been negotiated by ITUs were provided to all workers independent of their membership in any particular trade union. As a result, the existing welfare-oriented agenda of trade unions reinforced workers' membership in RUCs, while at the same time, the demand for union representation in conflicts has not been successfully channelled into much-needed increases in membership for ITUs. As a consequence, the growth of the ITUs' membership during their organisational phases and conflicts was stronger than during subsequent operational phases, when the set-up costs of ITUs were increasing.

The impact of this legacy on ITUs was clearly shown, when all of the ITUs eventually partook in providing holiday vouchers and organising recreational activities for their members in order to satisfy the traditional expectations of workers and the resulting demands for such services. However, in contrast to the RUCs, ITUs have had it as its priority and have not covered the costs of these activities from the union budgets. The ITUs used employer-provided funds for workers' recreation as has been envisaged in law. The shift in the ITUs' position towards accepting a distributive function shows that any path-breaking, conflict-driven development of ITUs has been marked by significant constraints as a direct result of the legacy of the diminishing union protective and strengthening distributive functions, taking place from the 1930s (Chapter 4).

Clarification of the development of worker representation requires an analysis of how both paths of union development have concurrently advanced in the FSU.

## ***8.2. Subsequent Development of Union Paths***

Until the first ITUs were established, RUCs enjoyed a historically formed, exclusive jurisdiction in enterprise IR. The model of monopolistic unionism that underpinned socialist IR guaranteed this exclusive right of the RUCs to represent workers. When the IR system changed, RUCs continued to hold an advantaged position; as successors of socialist trade unions they retained organisations, structures and relationships throughout the country. In all of the enterprises discussed above, the RUCs' formation was based on their dominant position in IR.

The ITUs emergence and involvement in conflicts undermined this monopoly on worker representation. In combination with the ITUs' criticism of RUCs, a confrontation between ITUs and RUCs ensued. As Panasenکو, the President of the FTUMWU has observed,

*“they [RUCs] complained to the Deputy Head of the Parliament, sent their complaints to various Members of the Parliament, cast aspersions on the Internet [...] and continue to do so. [...] Where we*

*[ITUs] emerge, the presidents of the 'old' trade unions [RUCs] threatened and treated me like dirt. They even threaten to launch criminal cases against us and keep saying that we 'entered a territory, which is already owned by someone else' (Panasenko, FTUMWU President, interview).*

This kind of RUCs' aggression towards ITUs was observed in the case of every RUC examined above. The ITU's activities themselves naturally prompted aggression from the RUCs. Threats, complaints to the authorities and pressure on workers from reformed unions across the country significantly and persistently inhibited the operation of many ITUs. These conflicts were particularly detrimental to the ITUs' later development as intense inter-union conflicts emerged in relation to members and access to bargaining.

### *8.2.1. Inter-Union Competition and Conflicts*

The basis of the ITUs' development has been in the organisational legacy of strike committees rather than that of socialist trade unions. Consequently, different organisational legacies underpinned each of the union paths. While RUCs managed to use their legacy in order to maintain their considerable positions and memberships under the new institutional settings of IR, any path-breaking, conflict-driven development has been marked by significant constraints as a direct result of this legacy.

#### *Inter-Union Conflicts and Workers' Membership in ITUs*

Competition for members within an enterprise in cases of union co-existence can have positive effects (e.g. Kahmann 2003), but the inter-union competition between RUCs and ITUs was not positive. As all ITUs respondents noted, confrontation with the RUC provoked by the emergence of the ITU resulted in pressure being put on ITU leaders and members and, ultimately, considerable membership fluctuation of those unions. At the peak of competitive pressure, up to ten members started to withdraw from some ITUs each day as heavy repressions against workers started. The unions faced increasing difficulties in recruiting workers and the union organisations (even that of the more successful ITU of Sukha Balka) were almost completely destroyed. Consequently, competition between RUCs and ITUs for members significantly inhibited the ITUs' from fully establishing themselves and running their daily operations and deprived them of a fair chance to grow and strengthen their organisations. Notably, while the organisational phase of all ITUs was characterised by direct pressure on members, during the operational phases of ITUs, pressure took more latent expressions. As a result of these latent expressions of pressure on ITUs, ITUs and their members were not rewarded with any kind of a break, when they entered their operational phase, confronting higher set-up (or operation) costs during this phase of their development.

### *Inter-Union Conflicts and Access of ITUs to Collective Bargaining*

A further expression of the inter-union conflicts regards access to the IR arenas. The most explicit demonstration of this was shown throughout the case studies in the situations where RUCs denied ITUs access to collective bargaining. With regard to the institutional infrastructure of IR, in cases where several trade unions coexist at one enterprise, a joint representational body was formed in order to conclude a collective agreement. However, as RUCs have traditionally been a single bargaining agent at their enterprise, they were also in a position to refuse to establish such joint bargaining councils in collaboration with ITUs and to deny access to bargaining to the ITUs. It is important to note that ITUs were excluded in spite of the legal prescription to establish a joint body for bargaining by the existing RUCs. Legal suits by ITUs yielded hardly any results and no punishment could be expected, in these cases of legal violations by the RUCs due to the lack of the law enforcement in general in the country.

As ITUs were denied access to collective bargaining and enterprise commissions, this left ITUs with only legal (and external) means of solving the work-related conflicts, which were not as effective. This left the aforementioned ITUs in a position, whereby they could only continue to articulate conflicts through arbitration or, at best, protests, with the legal activities of the ITUs providing the key way to institutionalise conflict outside enterprised-based IR arenas. For instance, ITUs managed to stop the overt confrontational activities of RUCs in response to the ITU's demands to be included in collective bargaining, when they went public, using local media including television and organising several protests. As the discussion above shows, inter-union competition provoked by the emergence of ITUs compelled them to direct energies and resources to survive inter-union conflicts in order to establish their jurisdiction in IR. The ITUs were forced to mobilise their scarce resources precisely when they were most fragile. This invites discussion of the pre-conditions, which have underpinned RUCs and ITUs' formation and their involvement in these inter-union conflicts.

#### *8.2.2. The Advantages of the RUCs*

The pre-conditions upon which each union develops, operates and consolidates underpin the resulting balance of power between RUCs and ITUs. The case studies above show that due to different contexts of emergence of RUCs and ITUs, the pre-conditions, upon which each of the trade unions engaged in competition were unequally distributed.

## *Material and Organisational Resources*

Union resources were not given sufficient attention in the literature despite constituting a very important area of analysis of post-socialist unions. As the successors of socialist trade unions, RUCs inherited the immense material resources of socialist trade unions, including numerous office buildings, vacation and health resorts and cultural facilities. While a drastic loss of membership threatens any trade union with the decline of its financial base, this was not the case for the RUCs. Even against the background of significant membership decline, the successor RUCs became 'one of the richest collective property owners' (Budzan 2002). This inheritance has provided a strong basis for further operation of RUCs irrespective of membership losses. The enterprise-based RUCs could easily operationalise their specific agendas as sending workers to recreational establishments meant sending them to facilities that continued to be owned by the regional and branch RUCs and their federation FPU. The organisational resources as embodied in the overall structure of these unions (including union committees at different levels and their access to state and regional authorities) have ensured that RUCs have not been as helpless and weak as originally depicted in the literature.

By contrast, the lack of any sustainable and substantial financial or material base has remained a chronic problem for the ITUs. The ITUs have been reliant exclusively on dues from wages that have not even been sufficient to cover the workers' subsistence. Panasenko, the President of the FTUMWU reported that one member paid one euro as a membership fee to a medical workers' ITU out of a salary of about one hundred euros a month. Also, in the many cases where workers' wages were not paid for several months, the ITUs could not collect membership dues (Fundovny, VPONU President). Finally, as a pressure tactic, employers often refused to transfer the dues to ITUs, which was made possible because the common practice of paying membership dues remained the check-off system. The lack of material and financial resources consistently created survival problems for ITUs. In contrast to 'rich' RUCs, ITUs were forced, "[...] to lead a hand-to-mouth existence with no full-time workers, no office facilities, no places to hold meetings [...]" (Clarke, Fairbrother and Borisov 1995: 13). As this indicates, in contrast to RUCs, ITUs have been faced with an ever-present lack of resources.

Although the problem of the under-resourcing of ITUs was mentioned in the literature (e.g. Clarke, Fairbrother and Borisov 1995, MacShane 1994), its sources and implications had not been sufficiently discussed. Beyond the basic needs, e.g. to rent office buildings or pay the wages of union officials, ITUs had problems financing

adequate advocacy, educational activities and membership recruitment campaigns on a broader scale. Above all, it was not sufficient to accumulate much-needed strike funds. As a consequence, many ITUs have claimed shares of the office buildings and establishments that RUCs had inherited from the socialist trade unions. As Slomp, van Hoof, and Moerel (1996) have rightly observed, the division of the assets of the RUCs was 'a bone of contention' between RUCs and ITUs. Clearly the availability of material resources has played a significant and very different role in RUCs and ITUs, having differing consequences for their subsequent development. While RUCs had an advantage in terms of resources, resources provided an ongoing obstacle to the development of ITUs.

Firstly, despite changes to IR, the RUCs have managed to retain the membership of more than half the workers. By contrast, ITUs had to grow their membership from zero and had to overcome significant hurdles in the process of member recruitment, as the cases above demonstrated. Crucially, the low number of members had immediate financial impacts for ITUs. Secondly, the RUCs' organisational inheritance provided a strong basis for the implementation of their agendas and for the preservation of their members. By contrast, the ITUs articulated their agendas through protest activities and in the court. However, their scarce resources have not allowed them to hire good lawyers or to cover the wages of those workers going on strikes.

Thirdly, RUCs inherited their organisational structures from the socialist trade unions including the local, regional and sectoral structures. In this way, the RUCs have enjoyed the assistance of the higher-level union committees and have thus preserved access to the union and IR-related knowledge. This gave RUCs an important advantage over ITUs, the structures of which had to be developed from scratch; ITUs having "[...] started to build [their] organisations by having one table in a room" (Tretyakov, ITU President of Sukha Balka, interview). Additionally, higher-level union structures had to be established by the enterprise-based ITUs and sustained from the resources and engagement of enterprise-based ITUs, when they wanted to ensure the ITUs' presence at higher levels of policy-making.

Fourthly, the education of new leaders and members has not been a problem for RUCs, as various educational activities could be conducted in the buildings of and financed by the RUCs or Central Committees. The lack of education of leaders and members was detrimental for the later operations of ITUs. As ITUs' leaders were elected from the ordinary workers themselves, they have, as a rule, had no relevant knowledge. As

Prysyazhnyuk, the ITU President at LAZY said, “we are just ordinary workers here. We have to study law and the structures of the IR from the very beginning” (Prysyazhnyuk, the ITU President at LAZY, interview). The ITUs’ opportunities to educate new leaders and members on the basic features of union work were, however, limited in comparison to RUCs. Given the chronic problem of resources, which characterised all of the ITUs researched, in order to educate a higher proportion of leaders and members, the ITUs have had to rely on the assistance of foreign and international trade unions.

### *Non-Material Resources and Access to Management and State Authorities*

In addition to the ‘organisational inheritance’ and wealth of material resources granted to RUCs, their advantageous positions in IR were also underpinned by non-material resources, such as their cooperative relationships with management and access to authorities. Particularly in the midst of the harsh post-socialist conditions that many enterprises have found themselves in, the need for cooperation with management has intensified (e.g. Ashwin 1997, 2007, Hoffer 1998, MacShane 1994). Benefits for management included the acquisition of state subsidies and advantageous legal treatment (e.g. Logue, Plekhanov and Simmons 1995, Plekhanov 1995, Siegelbaum 2004). Connor (1996), for instance, has argued that successor trade unions have targeted the state for such subsidies, while their access to leaders of higher union bodies could be useful for enterprises in their attempts to gain subsidies. As a consequence, proximity to management or state authorities has provided sources of leverage for RUCs.

Additionally, the RUCs’ access to authorities (e.g. as in case of the AMKR RUC) helped them to advance some of their demands without employing such confrontational tactics as protests or strikes. Although RUCs’ close relationships with enterprise managements and state authorities might have compromised their capacity for independent worker representation from a sociological perspective, in post-socialist settings they have underpinned RUCs’ power during the conflicts with the ITUs, and even some conflicts with foreign management. As Ashwin (2004: 33) has similarly observed, in the post-socialist context, “the real power base of many unions within the enterprise continues to be their relationship with management rather than their organizational strength”.

The legacy of these close relationships that RUCs have had with management and authorities has had corrosive implications for the subsequent operation of ITUs. While ITUs have not had the same easy access to management and local and national

authorities as RUCs, the emphasis of the ITUs on law enforcement created complications for management and even regional governments, thus making their work more difficult. This provided additional reason for RUCs and management to cooperate in their counteraction against the ITUs and created significant obstacles to the ITUs' development. It has resulted in pressure being applied by enterprise management on the ITUs' leaders and members to withdraw from their unions and to join RUCs as well as the refusal of management to accept the ITU as a bargaining agent. The denial of the access to collective bargaining and pressure on members is precisely the strategy that RUCs have pursued in order to win inter-union conflicts.

As this discussion shows, the RUCs' organisational legacy and the legacy of close relationships with management gave them 'early-comer' advantages, including structural, resource, and relational advantages over ITUs. As a result of the several aforementioned advantages enjoyed by the RUCs, aside from the immanent conflict between both paths, an unequal balance of power between the RUCs and ITUs has been emerging. Consequently, under conditions of inter-union rivalry, these advantages helped the RUCs to maintain considerable positions in IR in contrast to ITUs. This supports the second hypothesis stating that strong organisational presence of reformed trade unions has constrained the capacity of ITUs to construct, develop and strengthen new forms of union representation within different institutional arenas of IR. In spite of the support of workers being given to ITUs in critical moments of conflicts and disputes, in many cases, these RUC positions have been sufficiently strong enough to limit the opportunities for ITUs to develop their path during their operational phase.

### *8.2.3. Overcoming Inter-Union Conflicts: a Division of Spheres of Activities*

This initial inter-union conflict during the organisational phase could be observed in all but one case of the concurrent development of RUCs and ITUs, that of LAZY. At the same time, the case of LAZY no longer reveals the same mechanisms in place. Here, when the ITU was established, the RUC had completely lost the support of the labour collective as well as had failed to receive access to resources for welfare-related activities (from the enterprise and from the union as a result of problems caused by a lack of support from the oblast committee of trade unions) and to the institutions of union-management cooperation (the RUC's former president was prohibited from entering LAZY). All in all, the mechanisms ensuring the reproduction of the RUC's traditional path (labour collective institutions, enterprise-based welfare and union-management cooperation) dissolved here, as did the grounds for inter-union conflicts at LAZY.

As the discussion of the forms of worker representation included above in this chapter has further indicated, inter-union conflict was not a common pattern at both the Zaporizhya hospital and Sukha Balka. Two cases of consolidation – those of ITUs of Sukha Balka and the Zaporizhya hospital - do not fully conform to this finding. In contrast to the other cases of ITUs that have been discussed in this dissertation, inter-union rivalry at Sukha Balka and Zaporizhya clinical hospital has not prevented the consolidation of ITUs. Both cases examined in this chapter showed the relatively quick consolidation of newly emerging trade unions. Unlike the previous cases discussed above, in which RUCs have been able to inhibit ITUs operation, in the cases of both Sukha Balka and the Zaporizhya hospital the RUCs could not preserve their traditional monopoly in the IR arenas. At one of the two Sukha Balka mines its RUC even dissolved. At both the Zaporizhya hospital and the second Sukha Balka mine, the RUCs were marginalised in enterprise-based arenas. Especially when it came to collective bargaining, the RUCs were participants rather than initiators of the processes. At the same time, the remaining RUC at Sukha Balka and the one at the Zaporizhya hospital continued to maintain their stance and considerable positions in the areas, in which they have traditionally possessed expertise, such as organising recreation.

First, the access of the ITUs to collective bargaining at Sukha Balka and the Zaporizhya hospital was facilitated during the organisational phase through the support of labour collectives. Despite the resistance of RUCs, both ITUs gained access to bargaining the same year or year following the establishment of the union. Aside from the inter-union rivalry, this offered much better pre-conditions for the consolidation of both ITUs than was the case for the ITUs at LAZy, AMKR and Kyiv metro that have continually operated mainly through the institutional arenas outside from enterprises. As a result, the inability of the RUCs to completely block the ITUs from joining the arenas of IR resulted in a division of the spheres of activities between RUCs and ITUs and has enabled the ITUs' consolidation.

Additionally, against a background of inter-union rivalry both union organisations of Zaporizhya hospital and Sukha Balka utilised different structures and activities and thus each of the unions could concentrate on their own separate areas of expertise. The RUCs continued to focus on the distribution of recreation vouchers and to organise leisure-time activities, excursions and cultural events. The ITU did not threaten the RUCs' activities; it has had no strong interest in holiday organisation. Instead, the ITU continued to focus on bargaining, enforcing provisions listed in the collective agreement and individual protection of workers. These are areas, where the RUC had not possessed

the capacity to challenge the ITU. From this perspective, in their consolidation phases the RUCs did not pose any threat to the ITU just as the ITU did not pose a threat to the RUC.

Finally, by establishing constructive relationships with management, the ITUs have been able to further affect the close relationship between RUCs and enterprise management to the extent that the relationship has no longer guaranteed the RUCs' strength over the ITUs. As a consequence, neither RUC had the same strong position of the RUCs in the other cases, in which RUCs had been able to inhibit the establishment and operation of ITUs. As a result, at Sukha Balka and the Zaporizhya hospital, the ITUs' consolidation was not blocked by the RUCs, as had commonly occurred with other ITUs. This enabled the consolidation of the ITUs, even though the ITUs have remained smaller than the RUCs in terms of the number of members of each trade union.

### ***8.3. Consolidation: the Impact of the ITUs on RUCs' Development?***

In light of the concurrent development of RUCs and ITUs the question arises, whether the emergence of ITUs has provided any incentives to speed up the progress of RUC reforms. ITUs could potentially have had positive impacts on the RUCs by prompting RUCs to ensure workers' representation in collective bargaining and conflicts for instance. Under the conditions of the concurrent development of RUCs and ITUs, ITUs were challenging the pre-conditions underpinning the RUCs' operation in IR - union orientation towards labour collectives, functions as agents of social benefit and conciliatory forms of worker representation.

RUC capacity to ensure conflict-based worker representation was not high at the time, when the new institutional framework of IR was installed and the conflicts started to develop. As the cases presented above show, under the indirect pressure of ITUs, conflict-based identity, agendas, relationships with management and attitudes to conflicts started to emerge within the RUCs here discussed. For instance, at Lafarge Mykolaivcement some changes in the views and positions of RUCs' leaders were observed, when they tried, "[...] to re-fashion the union from the very grassroots, so that it no longer resembles that old, Soviet and communist one" (Gusak, the RUC President at Lafarge, interview). A new collective identity of workers and some new forms of actions could be observed within the RUCs at LAZy, Lafarge Mykolaivcement and even AMKR, when conflicts of interests became particularly visible and RUCs articulated their more antagonistic positions in relation to management. Protests and demonstrations could be

observed in these cases as well, except for the RUC of Lafarge Mykolaivcement. Also, these RUCs took up the issues of wages and lay-offs in union-management negotiations. Under the impact of ITUs, and especially under the new leadership of the RUC, these RUCs generated conflicts, thus, they developed the attributes that were needed for the installation of conflict-based forms.

Also, in those cases of consolidation, by establishing constructive relationships with management, the ITUs have been able to further affect the close relationship between RUCs and enterprise management to the extent that the relationship has no longer guaranteed the RUCs' strength over the ITUs. Ultimately, close union-management relationships have not guaranteed a stronger position for RUCs than ITUs in terms of access to collective bargaining. The strength of the RUCs' alliances with management was common amongst the cases of inter-union rivalry discussed in previous chapters, but could not be observed at Sukha Balka and the Zaporizhya Clinical Hospital. Although the RUC of the Zaporizhya Clinical Hospital continued to maintain their 'harmonious' relationship with management, these relationships have not granted RUCs improvements in wages and working conditions or even social and welfare activities. As a result, they have not granted any powers to the RUC and neither RUC had the same strong position of the RUCs in the other cases.

These observations help to confirm the third hypothesis stating that under the impact of ITUs, RUCs integrate new practices of conflict articulation into their existing forms of actions and activities, thus, incrementally adjusting the path of their development in order to preserve the core of their former services and activities. At the same times, these cases also reveal significant constraints on the processes of reforms, existing in cases of those RUCs.

As the case studies show, the RUC leaders deserve a significant share of responsibility for their unions' reticence to retreat from the previously formed, 'conciliatory' model of worker representation. Many of them began their union careers during socialist times and thus were likely to have been guided by the views and conventions that they formed in the past – in a different context. Buketov (1999: 100), for example, emphasises “the mentality of trade union functionaries, which was both unwilling and unable to give up its *nomenklatura* role and privileges” (emphasis in original; Hoffer (1995) argued similarly). Those RUC leaders that became committed to change were in the minority. Mandel (2004), Kubicek (2004) and Crowley (2000) make similar observations that such exceptions within RUCs, “[...] were largely the consequence of exceptional leaders,

who in their turn, enjoyed the support of exceptional, progressive, national and regional leaders” (Mandel 2004: 269). The vast majority of RUC leaders have proven resistant to pressure to change.

The lack of RUC leaders’ commitment alone is, nevertheless, not sufficient to explain the current state of ITU impact on these trade unions. The examples of Kyiv metro, LAZy and Sukha Balka show that if no changes were attempted by union leaders themselves, there were still officers and members of the union who pushed for reforms. Hence, the agency to change RUCs was present, although it frequently failed to bring structural change to the union. The explanation for this is found in the RUC leaders’ commitment to labour collectives; their identification with labour collectives has had de-mobilising effects on workers and their readiness to get involved in conflicts. This was demonstrated at LAZy, where the RUC’s President, Krasnevyh, managed to postpone workers’ protests by promising workers that their wages would be paid soon and so there was no need for any collective actions. Some of these de-mobilising effects on workers and their readiness to get involved in conflicts was observed even at AMKR and Lafarge Mykolaivcement – the most likely case in which the legacy would be expected to be the weakest due to changing interest constellations and activities. At AMKR, workers wanted to go on strike on several occasions, however the RUC leadership there managed to convince workers that strikes were not necessary. Despite their articulated wishes in wages, workers were forced to accept recreational services as compensation under the pressure of their union leadership, who in turn played a central role in the distribution of these social services.

Furthermore, the structural integration of the RUCs froze them in their traditional positions within their sectoral structure and constrained the possibilities for RUCs to reform. RUCs were not autonomous union organisations in structural terms, rather, they were local committees within the structures of the sectoral trade unions. The insertion of RUCs into this same structure of their sectoral trade unions severely limited any possibilities for intra-union RUC reforms over and above any pressure exerted by workers for RUC reforms. As Sokolov, the President of the L’viv Confederation of Trade Unions explains, albeit in a different but relevant context:

*“it does not matter how good a person could be [...] like one brick in the whole building, he cannot change anything, unless he changes the foundation of this building. And there are two ways. Either he will be thrown out by the system, or he will be absorbed by the system” (Sokolov, the president of the L’viv Confederation of Free Trade Unions, interview).*

For instance, in the case of LAZy changes in the RUC’s leadership and a more offensive and aggressive stance of the RUC was followed by the confrontation against the RUCs’

activities by the oblast committee and its President, Zakhvatkina. As a result of this confrontation, the LAZy RUC was thrown out of IR.

Under the new institutional system of IR and in the context of the concurrent development of RUCs and ITUs, the grip of former official unions was weakened due to the emergence of ITUs. First and foremost, the establishment of ITUs has challenged the role and legitimacy of RUCs in the critical moments of emerging conflicts, spurring RUCs' learning processes and on-path changes in RUCs. At the same time, due to the aforementioned constraints on RUCs, the strong dominant positions of the RUCs and the numerous incentives for RUCs to maintain their agenda and approach created unfavourable conditions for advancing the RUCs' formation towards protective functions under the potential impact of ITUs. In combination with intense inter-union rivalry and conflicts, the subsequent concurrent operation of both RUCs and ITUs has resulted in slow processes of learning by RUC, although it still has not resulted in the ultimate installation of more conflict-oriented forms of worker representation through RUCs.

#### ***8.4. Conclusion: Mutual Impacts and Interdependency in the Organisation of RUCs and ITUs in Ukraine***

This cross-cases analysis of trade unions has focused on the concurrent formation of the previously existing RUCs and newly established ITUs in the post-Soviet Ukraine. Contrary to the dominant research perspective of path-dependent reproduction of representational institutions, the present dissertation finds diversity in the patterns of worker representation developing during the formation processes of different Ukrainian trade unions taking place within the same institutional structure and national context of IR.

Within the new institutional infrastructure, the final envisaged outcome of union reorganisation after the collapse of socialism was clearly a trade union with representational and protective functions similar to those that are typically understood and accepted as fundamental elsewhere. This overview of union formation has demonstrated that the strengthening of labour collectives, union social functions and union-management and political alliances have resulted in greater longevity of the traditional forms of union representation. At the same time, this traditional form of union representation has not continued without changes. Some on-path changes and path-breaking developments have simultaneously facilitated more conflict-oriented forms of worker representation within the same system of IR and even within existing

paths. The development of different functions of worker representation due to historically differing union formation is clear from the case studies.

Given that the initial trade union character and orientation reflect circumstances of formation (Hyman 1999), the specific historical contexts in which these trade unions emerged, shape the interests with which unions identify, the views of activists and leaders, the agendas they pursue and the type of power resources they cultivate and apply (Hyman 2001: 1). Different historical and political moments at which different trade unions emerged are key for understanding the institutional changes in the system of IR, as their establishment at differing points in time and circumstances has led to a different formational paths.

In terms of union development, under the conditions of the new institutional structure of IR two courses of development of post-socialist trade unions can be distinguished from the cross-case analysis of union formation outlined above. First, the path-enforcing development of RUCs has been rooted in their organisational legacy often effectively involving the same leadership as the socialist trade unions. The reproduction of the labour collectives, distributive form of representation and union-management and political alliances have precluded any recognition of conflicting interests between workers and management and consequently, have thus reinforced the previously formed institutions of conflict-free and welfare-oriented worker representation that were largely concerned with conflict suppression. This was especially evident in those cases of RUCs at enterprises, which are a part of municipal property. Despite incentives to develop new organisations and forms of worker representation, the pre-conditions for union activities, cemented during the process of path-enforcing formation of the RUCs, have offered little opportunity for conflict of interests between workers and owners of capital to form an ideological basis for worker representation.

It is important to note that changes have been taking place in some RUCs. RUCs of Lafarge, LAZy, Lafarge Mykolaivcement and AMKR show some on-path changes, including identity-based conflicts and wage approaches. Exogeneous factors (such as foreign ownership, for instance) were identified as the drivers of these on-path changes, as they broke into the existing interest constellations and the understanding of the union representational institutions. In terms of conflict-based identities and conflicts of interests, the indirect impact of ITUs could be observed as well. Yet, the logic of worker representation remained the same (strong orientation towards domestic labour collectives, socially and welfare-oriented agendas and the consistent use of state-

political alliances). These RUCs' achievements will likely remain dependent on the external political support received, as independent union organisational capacity to enforce its demands has hardly developed. It is not clear whether these unions would be able to mobilise its membership, having previously failed to develop militantly. Conflict-based forms of worker representation are no longer guaranteed to appear, once the political support begins to weaken. It is not clear, whether the conflict identities would last and these changes would not be revoked, when the enterprises returns to domestic ownership or political support weakens.

In the second course of development, ITUs have advocated a (re)turn to the unions' more protective function that had already been emerging in the early 19<sup>th</sup> century in Ukraine. When compared to RUCs, ITUs have emphasised the opposition between workers and employers and as such their attempts to represent workers reveal a path-breaking character. This is shown firstly by the fact that ITUs have continuously focused on those specific workers' interests and issues upon which employers' and workers' interests differ, such as wage increases and payment of wages debts. Secondly, by raising work-related issues, ITUs targeted management in a direct and persistent manner. Thirdly, ITUs have not admitted anyone to their membership, who had been in managerial positions. They have thus drawn a line between the interests of workers and those of management. Also, the type of changes, tensions and constrains in case of ITUs differs significantly from those of RUCs. In contrast to the binding effects of the traditional path, the ITUs are clearly characterised by their departure from the existing path.

The simultaneous existence of both paths brought the historically formed social roles and functions of RUCs into question. ITUs advocated a union role in worker protection that moved away from labour collectives and, at least initially, discredited holiday voucher distribution and union-management alliances as an activity contradicting the purpose of a union organisation, thus directly targeting the previous model of worker representation, which had been based on the unity of interests within the labour collectives and the RUCs' role as agents of social benefit. This opposition between trade unions was clearly evidenced at the strike committees' signing of the agreement to end the strike of 1989. The strike committees were signatories on the 'workers' side of the table. The signatories on the 'other' side of the table were the Soviet government together with the All-Soviet VTsRPS and the Ukrainian Republican Council of Trade Unions. ITUs self-identification as 'free', 'independent' or 'alternative' additionally

stresses the ITUs' ideological opposition to the previously practiced conciliatory forms of worker representation.

In line with the first hypothesis, it can be concluded that the formation of trade union representation in interest-based conflicts was constrained by the latent, and immanent, conflict hidden in the structural and historical differences of two alternative paths of union development. Against the historic background of the development of union role and functions, this legacy of union development has had corrosive effects on any path-breaking developments that might have been possible as a result of the strikes of the 1980s. This is clearly visible in the development of ITUs. As a result of the unorthodox interests represented by ITUs, precisely due to the effects of union development towards its social functions (during the 19<sup>th</sup> century), any independent organisation that emerged or could have emerged at that point in time was immediately placed into a position of opposition to the existing unions, within which the same distinct workers' interest or potential conflicts could never have been recognised.

While the concurrent development of two different paths created significant chances to develop conflict-based forms of worker representation, the cross-case analysis above clearly shows that in spite of the new institutional infrastructure of IR which has established conflict of interests and both union freedoms and pluralism as the basis of IR, numerous obstacles for the development of more conflict-oriented forms of worker representation were identified over the course of this discussion. The clearest expression of these obstacles can be identified when exploring the history and developments of newly established ITUs. The reluctance of RUCs to concede control over any portion of their historical monopoly of the representation of workers has led to intense inter-union rivalry and competition. While the ITUs threatened the legitimacy of RUCs, and their dominant organisational presence in some enterprises, they were never able to mobilise a serious organisational threat to the resource-rich RUCs on a broader geographical scale. Inter-union conflicts forced ITUs to channel energies and resources into organisational survival rather than into developing their organisations and models of workers' protection.

This analysis brought to light the highly unequal pre-conditions that underpinned RUCs' and ITUs' formation and competition against each other. Different organisational legacies underpinned each of the paths of representation. The path-enforcing development of RUCs has been based on their inheritance of members, material and financial resources, properties and establishments from the socialist trade unions.

Similarly, RUCs continued to maintain close cooperative relationships with enterprise managements and regional and state authorities that had previously been developed and nurtured under the earlier system. ITUs had to recruit members from the very beginning, and their material and financial bases suffered from chronic under-resourcing. The confrontation of ITUs by RUCs and enterprise managements created additional significant obstacles for building, sustaining and operating ITUs at the workplace level. The existing RUCs also consistently and actively blocked access to IR arenas.

While RUCs managed to use their legacy in order to maintain their considerable positions and memberships under the new institutional settings of IR, any path-breaking, conflict-driven development has been marked by significant constraints as a direct result of this legacy. The combination of all of these resources gave RUCs significant advantages over ITUs. In particular, this directly affected the ITUs' prospects of establishing their presence in enterprise-based collective bargaining. As a result of these unequal pre-conditions for the development of RUCs and ITUs, RUCs found themselves in much stronger positions in IR compared to ITUs. This left few opportunities for the ITUs to develop their organisations and consequently, organisational preconditions necessary in order to advance a more conflict-oriented path of worker representation. Furthermore, the conflict inherent in the structural preconditions of IR was further channeled into the alteration of the existing laws in order to exclude the ITUs from the IR arenas.

A final observation that comes out of the analysis of the concurrent development of RUCs and ITUs concerns the implications of the ITUs' emergence for reforms within RUCs. While the organisation and operation of ITUs brought into question the RUCs' 'conciliatory' form of worker representation, the development of ITUs has acted as the catalyst for on-path changes amongst the RUCs. This concerns conflict-oriented identities as well as union-management relationships. In some cases depicted above, the ITUs have been able to further affect the close relationship between RUCs and enterprise management to the extent that the relationship has no longer guaranteed the RUCs' strength over the ITUs. Yet, the preservation of RUC legitimacy with members as they continued to reward low-paid workers with recreation and discounted holidays could not be targeted. Thus, instead of resulting in the anticipated outcome of profound RUC reforms heading towards more conflict-oriented representation, rather, RUCs responded by incrementally adjusting their path in order to preserve their core social services and activities.

The cross-case analysis clearly showed that the conflict hidden in the structural, historical and organisational differences of two alternative paths of union development has had a dramatic impact on the enactment of the new institutional infrastructure, including the practice of collective bargaining or even social partnership. The original purpose of social partnership was the mediation of the basic conflict of interests between workers and the owners of capital. However, for RUCs, partnership did not only mean that the relationship between unions and management was free of any conflicts (e.g. Ashwin 2004). Within the social partnership framework, RUCs could legitimise their commitment to the historically formed conciliatory model of worker representation by reproducing the bureaucratic and legalistic approach to representation of its members. The immediate result is that successor trade unions frequently reject the adversarial implications of bargaining anticipated for in the legislation (Clarke and Fairbrother 1994). In contrast, ITUs were inhibited in their subsequent operation by being excluded from enterprise-based and national IR arenas, unless the vote of the labour collective ensured the ITUs presence within the arenas of IR and the pre-conditions for their consolidation right at the beginning.

