

## Chapter 1. Background, Research Question and Hypothesis

After the fall of the socialist regimes, the institutional systems of IR in those countries were re-configured on the basis of the pluralistic model of IR. The respective infrastructure was constructed in order to create a set of institutions, rules, procedures and behaviours consonant with a stable system of IR, which aimed at facilitating workers' input into policy-making (Bönker, Müller, and Pickel 2002, Borisov and Clarke 2006, Casale 1997a, 1999, Hethy 1994b, 1995). In line with the structuralist perspective, the fundamental belief was that the institutional framework would then facilitate the articulation of pluralistic conflicts of interests.

However, following the argument of Vyshnevs'ky, Mishenko, Pivnyev et al. (1997), under the socialist system of IR the existing post-socialist union organisations have fulfilled opposite functions in comparison with unions' classic functions and practices in representing the specific interests of hired workers. Union functions previously included the roles of social and welfare departments (Ashwin 1997, Bocharov 2001, Crowley 2001, Gerchikov 1995, Kozina 2002, Ost 2006) as well as being responsible for conflict containment; in sum, trade unions avoided raising and engaging in work-related conflicts (Ashwin 2004, Kozina 2001, 2009). In light of these characteristics of post-socialist trade unions, this path-dependent reproduction of historical (conflict-free) forms of worker representation (Arandarenko 2001, Ashwin 1999a, 2007, Ashwin and Clarke 2003, Crowley 2004, Crowley and Ost 2001, Grdesic 2008, Kideckel 2001, Ost 2005, Pollert 2000) is identified as the main cause of the failure of trade unions to deliver worker representation as conceived by the pluralistic model. From this perspective, the respective institutional frameworks that facilitate the formation of pluralistic conflicts of interests as the basis for the organisation of interests and collective actors are 'pre-emptive' (Schienstock 1992, Slomp, van Hoof and Moerel 1996, Wiesenthal 1995b cited in Beyer 2006): neither problems and conflicts of interests nor actors capable of articulating them were available at the point of the creation of those institutions. While union social and welfare functions do not potentially compromise the capability to enforce interest-based conflict, the inability to raise and engage in conflicts over the enforcement of worker interests does in itself considerably compromise the independent delivery of conflict-based worker representation.

## **1.1. IR Institutional Changes in the Soviet Union in the 1980s**

Notably, some attempts to strengthen worker representation were made by the then General Secretary of the Communist Party, Mikhail Gorbachov, in the mid-1980s. Gorbachov heavily criticised trade unions for their “adherence to the old methods and mechanisms” of union work, as expressed by union commitment to fulfil “the directives of the Party bosses” and to serve “as an adjunct of the administration at an enterprise” (Materials of the XXVIII Congress of the Communist Party of the Soviet Union, cited in Melnik, Stetsyuk and Shmarin 2005). As part of the program of reforms entitled ‘Perestroika’, Gorbachov attempted to enhance worker participation in enterprise management by institutionally strengthening labour collectives and the voluntary negotiation of collective agreements. For instance, the Law on State Enterprises of 1987 expanded the functions of enterprise-based Councils of Labour Collectives (STK)<sup>1</sup> beyond their advisory functions in favour of the right of workers to co-manage an enterprise. Due to the fact that STK operated under management control (e.g. Krüger 1990, Teague 1986), the expansion of their functions did not significantly contribute to strengthening worker representation. Neither did the Law on Collective Agreements (dated 1984): a detailed template for collective agreements that was provided by law, which opened no possibilities for the negotiation of agreement provisions (e.g. Ashwin and Clarke 2003).

Meanwhile, workers’ living standards were declining, as the socialist economy inflated and workers’ wages stagnated. The problem of wages was not addressed by trade unions or by STKs. In direct response, miners’ ‘wildcat’ strikes<sup>2</sup> spread in Russia, Ukraine and Belarus in the late 1980s (Bizyukov 1996, Borisov and Clarke 1996, Clarke and Fairbrother 1993, Crowley 2000, Hoffer 1998, Tatur 1998). Workers on strike demanded increases of their wages. Two years later, in 1991, trade unions that self-identified as ‘alternative’ or ‘independent’ emerged from the foundation of workers’ strike committees (e.g. Clarke and Fairbrother 1993, Ledin 2009a, b). The demands of the workers’ strike committees and independent trade unions highlighted a growing difference between some of the interests of workers (especially wages) on the one hand, and those of the enterprise administration and All-Union Central Council of Trade Unions (VTsSPS) and STKs (especially productivity) on the other. This was the first significant period under the socialist governance in which workers’ interests were

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<sup>1</sup> STK were decreed by the Law on Labour Collectives, dated 1983. However, at that point in time they were established as an advisory body with very limited powers (Ashwin and Clarke 2003).

<sup>2</sup> ‘Wildcat’ strikes are spontaneous, unsanctioned and unauthorised work disruptions.

advanced, expressed and articulated *in opposition* to all other IR actors, including the trade unions of the VTsSPS.<sup>3</sup>

In the context of such strikes, Gorbachov's reforms came under pressure from international organisations as well as strike committees. In line with the principles of the ILO, a set of institutions, rules, procedures and behaviours consonant with a stable system of pluralistic IR were needed. The basic belief was that if all the parties were directly involved in the policy-making process, the outcome would stand a greater chance of being effectively implemented (Casale 1999). Gorbachov reacted by abandoning the principle of a one-party-state and overturning the leading role of the Communist Party. Until these changes, the VTsSPS operated as the only possible union organisation and was controlled by the Communist Party (e.g. Vyshnevs'ky, Mishenko, Pivnyev et al. 1997). By the late 1980's the Party had withdrawn its control over VTsSPS, thus formally recognising the autonomy of workers' interest representation and the premise of union pluralism.

Starting in 1990, changes were made to the most important parameters of worker representation. In the frontline, the very premise of socialist governance – in this context, the structural convergence of workers', administrations' and state's interests – was abolished. The Soviet institutional infrastructure was amended to provide a foundation for the expression of interest-based conflict between workers, enterprise administrations and the state. The most important modifications included the introduction of the mandatory legal preconditions of freedom of association and bargaining, and the right to strike.<sup>4</sup> In line with the ILO's principles, political pluralism as well as workers' input into policy-making were realised through the creation of corporatist institutions (Bönker, Müller, and Pickel 2002, Borisov and Clarke 2006, Casale 1997a, 1999, Hethy 1994b, 1995). Underlying these changes was an expectation that tripartite structures at the national level as well as collective bargaining at the

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<sup>3</sup> Although prohibited by law, workers' strikes also periodically took place in the Soviet Union, but typically these strikes were limited to one enterprise (e.g. Clarke, Fairbrother and Borisov 1995, Grancelli 1988). The most famous strikes were ended by oppression, e.g., the use of live ammunition against striking workers in Novochoerkask in the 1960's and the continuous persecution of activists. Yet, those strikes never reached the same degree of organisation and participation as did the miners' strikes of 1989.

<sup>4</sup> The most significant changes in 1990 included the Law of the USSR, adopted on 14 March 1990, that allowed the participation of other political parties, trade unions, youth organisations and other public organisations in policy-making alongside the Communist Party; the Law of the USSR on Public Associations of 16 October 1990 and the Law of the USSR on Trade Unions, Their Rights and the Guarantees of Their Activities, of 10 December 1990, recognising trade union pluralism and guaranteeing the right to establish and voluntarily join trade unions of their choice, anticipating full trade union independence in relation to their statutes, structure, election of officers, organization of their activities, meetings, conferences and congresses; the Law of the USSR on the Settlement of Collective Labour Disputes of 9 October 1990, recognising the right of workers to strike in order to enforce their occupational interests.

branch and enterprise-based levels of IR would provide a platform for actors' engagement for their own independent interests and shape actors' practices and relationships, respectively (e.g. Casale 1999, Hethy 1994b, 1995, Thirkel, Petkov and Vickerstaff 1998). In other words, the expectation was that actors' agency would follow from institutional development.

With the VTsSPS already in a compromised position, these institutional changes aggravated the situation by enabling workers to either voluntarily choose a union organisation to join or to establish their own. Furthermore and of greater significance, these institutional changes legalised the establishment of 'alternative' union organisations that emerged from workers' strikes. Essentially, with the establishment of 'independent' trade unions in 1991, the principle of union pluralism also became a reality.

Nevertheless, this new institutional infrastructure of IR has hardly resulted in the development of those same 'suitable' forms of interest representation (Hausner, Jessop and Nielsen 1995: 29; Hethy 1994b, Hoffer 1998 and Wiesenthal 1999 have similarly argued), as conceived by pluralistic IR. In the former Soviet Union (FSU), workers' real wages had fallen drastically by 60-70%, reaching between two fifths and half of their 1989 value in 2001. Additionally, employment levels declined significantly (Chernyshev 2006, ILO 2010, Nesporova 2002, UNECE 2004). Essentially, against this background of falling wages, deteriorating working conditions and diminishing employment levels, weak, fragile and toothless practices of collective bargaining and social dialogue have emerged in the FSU (Ashwin 2004, Casale 1997a, Crowley and Ost 2001, Clarke and Fairbrother 1994, Gerchikov 1995, Hethy 1994b, Kabalina and Komarovskiy 1997, Kohl and Platzer 2003, 2004, Meardi 2007, Ost 2000, Pollert 1999a, b, 2000). Although a pluralistic institutional framework for the emergence of Western-type interest associations and negotiations is in place, neither the introduction of different political parameters of interest representation nor the recognition of pluralistic interests within the new institutional framework of IR alone have been sufficient to provide structural, independent worker representation.

In order to strengthen worker representation, new parameters of interest representation need to be enacted. The question of the interest, ability and capacity of trade unions to formulate and enforce those independent interests is highly relevant in this context. As evidenced by the decline in workers' living standards, post-socialist trade unions have not possessed the required ability, capacity or even interest in

independent worker representation (Arandarenko 2001, Ashwin 1999a, 2007, Ashwin and Clarke 2003, Crowley and Ost 2001, Crowley 2004, Grdesic 2008, Kideckel 2001, Ost 2005, Pollert 2000). Alongside the new institutional infrastructure of IR, the path-dependent development of trade unions is stressed as the major reason for weak worker representation: weak unions have reproduced their traditional approaches to IR (Ashwin 2004, 2007, Kabalina and Komarovskiy 1997, Kozina 2001, Kubicek 2007, Pankow and Kopatko 2001, Pollert 2000, Vyshnevs'ky, Mishenko, Pivnyev et al. 1997). The unions' traditional approaches are continually expressed through their active commitment to fulfilling the mandates of the state social and welfare departments (Ashwin 1997, Bocharov 2001, Crowley 2001, Gerchikov 1995, Kozina 2002, Ost 2006), thus limiting union activities to distributive practices. Trade unions did not raise work-related issues and, more notably, they did not organise enterprise-based conflicts or protect those workers who engaged in them (Ashwin 2004, Kozina 2001, 2009). From this perspective trade unions have not delivered worker representation, as conceived by the pluralistic institutional structure of IR due to their inherent weaknesses.

### ***1.2. Research Question: Institutional Design, IR Arenas and Actors' Agency***

With these parameters of interest representation in place, the emergent institutional infrastructure of IR takes the handling of joint and potentially conflicting interests of workers and employers as the basis for the (re)organisation of interest representation and IR actors. Path-dependent development of unions and union weaknesses alone is, however, not sufficient to explain the weakness in these forms of representation of workers' interests in spite of the incentives and opportunities brought by the new institutional infrastructure. Firstly, from a structuralist perspective, as expressed by an expectation that unions' agency would follow the institutional development, actors have no influence on the institutions, which structure their behaviour. Such a view of institutionalisation from above is problematic due to its deterministic view of the local processes (Burawoy und Verdery 1999, Grabher und Stark 1997, Stark 1998, Wollmann 1997). Secondly, as long as worker representation based on successor trade unions remained rooted in the legacies of socialism, an off-path development is observable in spontaneous collective self-organisation of workers. Neither collective demands and actions of this kind and degree nor union pluralism could be observed in the socialist practice, nor within the VTsSPS. The departure from the path was further expressed by the establishment of alternative trade unions. In this context, a structuralist perspective is inherently limited in its capacity to elucidate the interactions between very different

unions, workers and IR institutions, while the narrow path-dependent perspective is limited in its capacity to integrate the effect of the interactions between and of changes in both trade unions. Therefore, approaches are needed that go beyond the limits of the deterministic structuralist and narrow path-dependent approaches and enable the effects of actors' agency and their learning processes in the formation of those paths to be considered.

A further way to approach actors within this dual understanding of structure<sup>5</sup> is offered by actor-centred institutionalism (e.g. Mayntz and Scharpf 1995, Müller-Jentsch 1996, 2004, Scharpf 1997). Actor-centred institutionalism proceeds from the assumption that, instead of either institutions or actors taking a dominant role, actor behaviour is influenced, but not determined, by the institutional structure (Mayntz and Scharpf 1995, Scharpf 1997). Hence, the structural re-configuration of IR alone is not sufficient to spur the development of worker representation. Instead, from this point of view, emerging worker representation depends on the agency of the unions and the way that institutions are enacted. Consequently, analysing trade unions and the manner in which they make institutions socially sustainable is crucial to develop a deeper understanding of worker representation. This point further emphasises the need to research the development of worker representation from the perspective of trade unions' (re)organisation through their capacity as collective actors of a pluralistic system of IR.

Such unique and simultaneous re-building of post-socialist IR institutions and actors can be addressed as the evolution of IR arenas in the sense of Müller-Jentsch's actor-centred institutionalism (Müller-Jentsch 1996). An arena is "a complex institutional system that determines which interests and actors are to be admitted [...] [and] an enclosed area of conflict that sets boundaries for the courses of action open to the actors when they seek solutions to specific problems" (ibid: 31).<sup>6</sup> When adopting this understanding of the IR changes in terms of arenas, the composition of actors and interests constitutes an important variable alongside formulated rules. Institution-making and the re-composition of union organisational landscape and roles are both points which might indicate that post-socialist IR arenas host more than the processes of interest representation. The arenas also host the processes of union (re)organisation and the concurrent development of previously existing and newly established trade unions.

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<sup>5</sup> In a theoretical perspective of the duality of structure, as represented by Giddens (1984, 1993, 2005), the institutional structure is not only a medium for but also an outcome of agents' action, as 'knowledgeable' actors revive the institutions thus making them socially sustainable (ibid). From this perspective, agents' "institutionalised practices" and "formulated rules" (Giddens 1984: 22) are both integral elements of the institutional structure.

<sup>6</sup> Examples of IR arenas include workplace representation, sectoral and national bargaining, dispute procedures.

Firstly, the representation of workers' interests as potentially separate and distinct from those of employers has had a critical influence on worker representation in terms of the enactment of the new institutional infrastructure. A new, conflict-based institutional infrastructure of IR was installed on the basis of trade unions and practices of worker representation that were formed in a historically different context than that which existed in the FSU. The historic IR practices of the FSU structurally excluded any instance of conflict of interests between workers and enterprise administration. Soviet trade unions, in particular, have extensive experience in articulating the common interests of workers and employers. Although workers share some mutual interests with management, the representation of potentially independent and distinct workers' interests was never practically formalised under socialism. In this sense, in face of the newly installed institutional structure of IR, the processes of (re)defining union roles and functions (Rippe 1985, Schienstock 1992, Schienstock, Thompson und Traxler 1997, Slomp, van Hoof und Moerel 1996) are indispensable for the enactment of the new institutional infrastructure.

Secondly, within these processes of redefinition of union roles, both the previously existing structure of social norms and relationships (Elster, Offe and Preuss 1998, Lane 2002, Offe 1995, Stark 1995, 1998) and the previously existing “[...] routines and practices, organizational forms and social ties [...] provided assets, resources, and the basis for credible commitments and coordinated actions” (Stark 1995: 69). Yet, the changing composition of trade unions, including the patterns of workers' self-organisation, mobilisation and the establishment of 'alternative' trade unions, drives the processes that redefine union roles and functions. This aspect is highly relevant for the post-socialist context as it is marked by such legacies as the historical monopoly on worker representation formerly held by the VTsSPS and by the absence of formalised practice of pluralism and collective conflict.

Thirdly, in post-socialist countries, pluralistic IR infrastructure formally offers actors certain autonomous procedures of interest representation and conflict resolution. However, the actual representation and inclusion of actors and their interests is not as simple as the installation of such rules. While post-socialist IR arenas are formally framed in terms of pluralisation of actors and interests, does pluralisation of interests as such necessarily appear in the form of an actor's goals and agency? In particular, the organisation of 'alternative' trade unions and the increasing number and scale of conflicts in the late 1980's and early 1990's challenged the persistence of practices of representation formed previously, thus raising additional conflict over the status quo of

socialist trade unions. For example, Raiser (2002) has observed that competition between the 'old' and 'new' actors has persisted in the form of the exclusion of 'new' actors from different arenas. As long as conflicts and competition between existing and newly emerging trade unions were likely to occur, this same competition would have significant effects on the construction of IR arenas and worker representation. Essentially, inter-union competition and its consequences for the subsequent development of worker representation were barely considered in the IR literature.

When the moment of institutional re-configuration of IR is viewed with a historical institutionalist perspective, as a path-dependent process, actors' strategic interventions and learning processes become important variables for the analysis of the subsequent development of 'paths'. Actors adjust their strategies in the process of consequent development (Avdagic 2006) by reflecting and deciding what to reproduce (e.g. Pierson and Skocpol 2002, Steinmo 2008, Steinmo, Thelen and Longstreth 1994, Thelen 1999, 2002). In this perspective, as a result of actors' agency, the possibility to re-enforce an old path or to launch a new one exists at moments of 'critical juncture' and most significantly, after such moments. Although in the western IR literature, this same capacity of IR actors to exercise their strategic choices and to shape IR and its rules and norms was well recognised (e.g. Kochan, McKersie and Capelli 1984), the existing analyses of post-socialist trade unions are limited in their capacity to elucidate how trade unions have contributed to shaping 'path-dependent' development of worker representation. Only a few authors (Hanke and Mense-Petermann 2001, Hausner, Jessor and Nielsen 1995, Huzzard, Gregory and Scott 2005, Trif and Koch 2005a, b) have recognised that despite constraining conditions, post-socialist trade unions have still been able to make and impose their strategic choices. Thus, trade unions are also active 'subjects' in so far as they reflect and decide what to reproduce, adjust their strategies, and determine for themselves the forms of worker representation that they will deliver.

The current capacity of trade unions to shape IR through their choices becomes even more clear once trade unions are considered not as 'an undifferentiated whole' (Kubicek 2004), but when the particular and specific features of different trade unions are considered. For instance, workers' strikes in the late 1980's and throughout the 1990's clearly indicate a break from the previous path of worker representation. As the emerging 'independent' trade unions exclude the representatives of the enterprise administration from union membership (e.g. Bizyukov 1996, Buketov 1999, Kabalina and Komarovskiy 1997, Mandel 2004), get involved in work-related concerns and mobilise workers (e.g. Crowley 2000, Kabalina and Komarovskiy 1997, Kubicek 2004,

Mandel 2004), they oppose the forms of worker representation that are based on the premise of a 'commonality' of interests amongst workers and enterprise management. This shows a new form of worker representation that is based on a differentiation between workers' and employers' interests (in contrast to the 'commonality' of interests that is mainly represented by reformed trade unions). Essentially, from the perspective of historical institutionalism, post-socialist worker representation can be approached as a 'path-shaping path-dependent' development (Hausner, Jessop and Nielsen 1995) with the agency, interactions and interventions of collective actors playing a critical role in the development of post-socialist worker representation, be it along one path, another one, or even involving a path change.

In light of these two premises (the interaction between IR arenas and actors, and the role of agency in path-dependent and/or path-breaking development), it can be concluded that the most important analytical question is not whether existing unions (re)constitute their role through traditional collaboration with management or even develop the capacity to defend the interests of workers, despite this being consistently raised in the literature (e.g. Clarke 2005, Deppe and Tatur 2002). Instead, the focus should be on the simultaneous development of less conflict-oriented, former existing and more conflict-oriented, newly established trade unions. Adopting this focus demands an analysis of how the differences in the approaches to worker representation influenced the subsequent development of worker representation and trade unions with regards to the emerging interests and interest-based conflicts, the insitutionalisation of conflict articulation practices and consolidation of different forms of worker representation.

### ***1.3. Literature Review: Trade Unions and Post-Socialist Worker Representation***

The analysis of post-socialist worker representation<sup>7</sup> has mainly been informed by the neo-corporatist assumptions that state, employers, and trade unions articulate their views and interests through the process of exchange in order to achieve a consensus on the policy-making process. The development of this literature is helpful for the analysis of trade union development. Firstly, the institutional framework of social partnership was supposed to help strengthen workers' representation by providing the channels for

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<sup>7</sup> The most extensive analysis of Russian IR can be found in Ashwin and Clarke (2003), as well as in numerous publications by Simon Clarke and colleagues, such as Borisov and Clarke (2001, 2003), Clarke (1995, 1996), Clarke et al. (1993), Clarke, Fairbrother and Borisov (1995); Crowley (2000), Kubicek (2004, 2007), Sayenko and Pryvalov (2003) and Vyshnevs'ky, Mishenko, Pivnyev et al. (1997) analyse Ukraine; and Mandel (2004) deals with Russia, Ukraine and Belarus.

worker participation in policy-making (e.g. Casale 1999) and for reaching compromises on conflictive issues. Secondly, post-Soviet trade unions adopted a programme of social partnership as a program of action, aimed at defending their members (e.g. Ashwin 2004, Ashwin and Clarke 2003, Borisov and Clarke 2006).

### *1.3.1. Corporatist vs. Pluralist Approach to the Analysis of Worker Representation*

Central to the corporatist analyses of IR has been the role of corporatism in strengthening worker representation. From this perspective, the national-level characteristics of worker representation are identified by looking at the way in which trade unions are included in the national-level political process (e.g. Avdagic 2006, Casale 1997a, b, Chen and Sil 2006, Connor 1996, Cox and Mason 2000, Merkel and Sandschneider 1999, Stein 2001, Toth 2001, Wiesenthal 1999). Optimistic views argue that corporatism in CEE can be identified as ‘transformative corporatism’:<sup>8</sup> it reaches a balance between the actors, their demands, interests and goals, and its function as a platform for the exchange of actors’ views and ideas, facilitating the reconstruction of IR (Deppe and Tatur 2002, Hethy 1994a, b, Iankova 1997). This position is shaped by the implicit assumption that potentially conflicting interests exist; the specific demands and interests that are balanced in the corporatist process as well as the issue of whether the articulated interests are inclusive of all existing trade unions and groups of interests are not discussed. In contrast to this view, corporatism in CEE has been called ‘illusory’ (Ost 2000), as it only provided “an institutional shell” or “façade” for actors’ interactions but failed to provide a “politically stabilising and economically inclusionary class compromise” (Ost 2000: 504). Thus, corporatism failed to guarantee the stable accommodation of actors or strengthen worker representation (Connor 1996, Crowley and Ost 2001, Kubicek 2004, Mailand and Due 2004, Pollert 1999a, b, Thirkell, Petkov and Vickerstaff 1998, Mailand and Due 2004).

In the FSU, this particular version of corporatism has not developed as an endogenous struggle of pluralistic interest conflicts. The pre-conditions for effective corporatism (i.e. that partners should be autonomous and independent, enjoy equal rights and parity and have the capacity to make and adhere to the agreements), were not present in any substantive measure in post-socialist IR where the distinction between labour and management was less than clear (Aguilera and Dabu 2005, Borisov and Clarke 1996,

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<sup>8</sup> The ‘transformative corporatism’ approach considers emerging corporatism to be “a specific hybrid form which dynamically co-ordinates the fragile balance between the variety of public and private groups, and political and economic demands, interests and goals [...]” and consequently, is “a viable perspective of adaptability and survivability for these countries” (Iankova 1997: 73).

Clarke and Fairbrother 1994, Ost 2002). The effective functioning of the corporatist institutional framework is thus inhibited as it is installed from the top, with exogenous support, and because it is a model without historical, cultural and political roots in the society.

As the question of *which* interests and conflicts are articulated within the process of exchange is not discussed in the corporatist analysis, this perspective is misplaced to analyse whether or to what extent reformed and independent trade unions are included into the corporatist structures or whether a unified position of trade unions could be represented. Nevertheless, it still provides several important arguments in its analysis of the post-socialist trade unions' underlying intentions in their choices for corporatism. Although post-socialist unions have constantly emphasised the representation of workers within the corporate bodies, the very choice of partnership was "a pragmatic response" to uncertainties rather than a demonstration of actors' commitment to the ideology of partnership (Hethy 1994b: 333). This turned partnerships into a platform to advance specific opportunistic interests (ibid, Borisov and Clarke 2006).<sup>9</sup> While previously existing unions looked to tripartism in order "to secure their survival", the newly established unions participated in order to establish a foothold in the area of IR (Clarke 2005, Hethy 1994b: 333).

Connor (1996) has observed that union attempts to coordinate the policy process at the national level contrasted starkly with enterprise-based conflicts relating to worker representation. Therefore, he questions the premise that under post-socialist conditions the corporatist design fits well with the pluralist contents of the structure, to the extent that the countries:

*"locked into state corporatism at an earlier stage of development will have hard going with any such transition [...] It is difficult to imagine a politically continuous transformation towards societal corporatism; rather, one suspects that the state-corporatist system must first degenerate into openly conflictual, multifaceted, uncontrolled interest politics - pluralism in other words [...]" (Connor 1996: 19-20).*

Given the context-specific developments of the post-socialist countries, an incoherent constellation of different levels of worker representation – identified as hybrid IR systems (Pollert 1999a, 2000) – has emerged. 'Hybrid' in Pollert's terms refers to the vertically disconnected levels of worker representation combining coordinated national tripartite representation and fragmented enterprise-based representation of workers.

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<sup>9</sup> With specific reference to governments, for example, Ost (2001: 91) points out that "the government needed this [tripartism], it seemed, more to mollify the EU and ILO than to work with the trade unions," while business used tripartite structures to lobby for regulations advantageous to their interests (e.g. Sayenko and Pryvalov 2003).

This sort of criticism of the corporatist approach to the analysis of post-socialist IR highlights the significance of pluralistic pre-conditions that need first to develop in order to feed the formation of stable corporatist institutions. The critical view was further developed in another strand of literature, which shifts towards the identification of more specific conditions and conflicts in terms of worker representation (e.g. Avdagic 2003, Deppe and Tatur 2002, Kubicek 2004, Mense-Petermann and Hanke 2001, Thirkell, Scase and Vickerstaff 1995, Trif 2005, 2007), including those at the enterprise-based level.<sup>10</sup> In particular, Clarke (2005: 2) has made the case for focus to be applied to inherited structures: trade unions have “to construct their own trade union practices,” and not only on the basis of the institutional framework. Thus, the focus of analysis needs to be shifted to enterprise-based conflicts relating to worker representation that are characteristic of the complex interactions between workers, unions and management.

As this micro-oriented perspective on IR indicated, “union structural dependence” on management and the state (Ashwin 2004: 42) inhibited the revival of conflict-based worker representation as it resulted in the interpretation of partnership and bargaining as “conciliation at all costs”, thus excluding any recognition of conflicts. Trade unions understood conflict between workers and management as “a pathological deviation from the norm” (ibid: 23, 40). As “[p]artnership without conflict is unlikely to deliver many benefits” (ibid: 40), such commitment of trade unions to the amelioration of social conflict undermined worker representation in those situations where workers’ interests conflicted with those of employers or the state. It further “[...] led the trade unions to attempt to suppress rather than to encourage the collective mobilisation of their own members” (Ashwin and Clarke 2003: 7). Thus within the framework of social partnership trade unions could “[...] secure their institutional future not on the basis of their strength as representatives of organised labour, but [...] within the limits of their existing form” (ibid: 263). At the enterprise-based level, social partnership has therefore provided a framework, within which trade unions can retain or reconstitute their traditional path.

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<sup>10</sup> Extensive case study research was published by Simon Clarke and colleagues from the University of Warwick and the Russian Institute for Comparative Labour Relations Research (ISITO). For the most comprehensive publications see Crowley 2000, Kubicek 2004, Mandel 2004, Sayenko and Pryvalov 2003, Vyshnevs’ky, Mishenko, Pivnyev et al. 1997 for the description of Ukrainian trade unions; Ashwin and Clarke (2003), Borisov and Clarke (2001, 2003) for the description of Russian trade unions; Borisov and Clarke (2001, 2003), Clarke (1995, 1996a, b), Clarke, Fairbrother and Borisov (1995), Clarke, Fairbrother, Burawoy et al. (1993), for the description of the internal changes in industrial enterprises. Further enterprise research on post-socialist unions has also been done by Ashwin (1997), Frege (2000), Mandel (2004), Pollert (1999a, b), Thirkell, Petkov and Vickerstaff (1998), Trif (2005).

Except from union militancy, the historically formed practices of unions and the relationships and networks feeding the path-dependent survival of post-socialist trade unions are highly relevant for a more critical understanding of the dynamics of worker representation. For instance, by use of informal bargaining between workers, unions and management (Alasheev 1995a, Ashwin 2007, Clarke 1995) and paternalist union-management relations (Alasheev 1995b, Clarke and Fairbrother 1994, Kabalina, Monousova and Vedeneeva 1996, Logue, Plekhanov and Simmons 1995, Samara Research Group 1996) trade unions were able to ensure their inclusion into IR arenas in addition to their path-dependent survival under the new, pluralist institutional conditions. At the same time, the new institutional framework has created little pressure or, at least, few incentives to develop the basic attributes and practices of conflict-based representation. Alongside the freedom to resort to strike, the legal pressure to follow negotiation and mediation procedures prior to collective mobilisation established bureaucratic and legalistic channels for conflict articulation as the first means. Meanwhile, it deprived trade unions from the possibility of building organisational strength at the very beginning of any conflict, when the readiness of workers to protest would usually be at its highest.

### *1.3.2. Employers in Emerging Market Economies*

A short outline of management-related developments is useful to deepen the understanding of unions and worker representation. The development of a market economy pre-supposed the formation of ‘managerial stratum’, acting in the interests of capitalist employers (Clarke 1996a, Eyal, Szelényi and Townsley 1998, Morrison 2008, Soulsby and Clark 1996, Steinle and Bruch 1996). This formation of ‘capitalist’ employers is understood “[as] a historical process to be ascertained rather than assumed [which] cannot be reduced to change in corporate culture [...], a shift in professions [...] or generational turnover [...]” (Morrison 2008: 213). This process of the development of ‘capitalist’ employers included certain, previously institutionalised, practices (e.g. Clarke 1995, 1996, Gaciarz and Pankow 1998, Logue, Plekhanov and Simmons 1995, Morrison 2008, Sayenko and Pryvalov 2003) in addition to adaptations to demands imposed by market conditions (Clark and Soulsby 1999).

Two key inherited characteristics of the Soviet management style that were informed by managers’ experiences with socialism (Connor 1996, Kozina 2005, Puffer 1996) are of particular interest for the further discussion of trade unions and worker representation: paternalism and authoritarianism. Managers’ paternalism has been demonstrated

through the provision of welfare services and employment guarantees, even in times of enterprise standstills (e.g. Bizyukov 1995, Clarke 1995, 1996, Clarke and Fairbrother 1994, Sayenko and Pryvalov 2003).<sup>11</sup> Only rarely has paternalism been channelled into fulfilling needs for decent wages (Clarke 1999, Schwartz and McCann 2007). In the post-socialist context the consequences of paternalism are detrimental for worker representation, as paternalism precludes management-worker conflict and collective action (Clarke and Fairbrother 1994, Crowley 2000, 2001). First, as Ashwin (1999a, b), Crowley (2000) and Zimmer (2002) have argued, managers' paternalism has contributed to workers becoming dependent on the work institution for their basic needs (both as a human and as an employee). Thus, by using the selective provision of enterprise benefits, managers could prevent workers' collective actions (Crowley 2000), the risk of losing enterprise-based benefits if workers voiced demands acting as a deterrent. Secondly, the continuing provision of welfare services by employers (e.g. through the transfer of funds for worker recreation to the social insurance fund as well as to trade unions) also re-enforced the traditional, social and welfare oriented function of trade unions, thus providing the basis for the responsibility for this same function to remain the preservation of existing trade unions.

Soviet-style paternalism is tightly intertwined with managerial authoritarianism (Clarke 1996b). For over 70 years Soviet management style has been authoritarian, assertive and immune to criticism; characteristics that continue to persist (Warner, Edwards and Polonsky 2005). By means of both pressure and repression, Soviet management excluded all oppositional union representation of workers, which threatened to raise issues that could potentially oppose managers' interests. While remaining hostile to unions that take pro-active roles (ibid, Clarke 1995, Kozina 2005, Morrison 2008), management has generally facilitated the preservation of traditional forms of conflict-free worker representation.

Despite the pervasiveness of paternalist-authoritarian managerial practices, some variation in managerial approaches to IR did start to appear. For example, Thirkell, Petkov and Vickerstaff (1998) and Pollert (1999a) found considerable variance in managerial attitudes towards unions. Sometimes reformed unions were accepted, sometimes they were replaced by work councils and sometimes they were marginalised and/or eliminated. In Russia, cases exist where market-oriented managers are simply

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<sup>11</sup> Gerchikov (1995) disagrees with this point arguing that management only kept workers on when enterprises faced financial problems due to the fact that it was cheaper to retain workers as employed 'on paper' than to dismiss them in Russia at the time. Thus, it was not due to management's paternalistic care for workers but rather, simply an instrumental cost-saving calculation.

indifferent to the existing unions (Clarke 1996b). In other cases, senior management of the large former Soviet enterprises were also found trying to seize opportunities to dismiss formal participative mechanisms (e.g. Gerchikov 1995, Ost 2009, Thirkell, Scase and Vickerstaff 1995). Extreme examples of anti-union managerial action are more prevalent in start-ups and genuinely private enterprises (Pollert 1999a). Here IR practices are determined unilaterally by management through internal company policy, characterised by the informalisation and individualisation of worker-employer relations as well as reduced formal protection for employees (Kozina 2005, Thirkell, Scase and Vickerstaff 1995, Trif 2000). Trade unions and collective bargaining are typically rejected outright amongst small and micro firms (Kozek 1993 in Thirkell, Scase and Vickerstaff 1995, Webster, Bischoff, Xhafa et al. 2008) as well as in the proliferating informal economy.

The most dramatic changes in terms of IR were predicted in foreign-owned companies (e.g. Martin and Christescu-Martin 2006), whose strategies were expected to be formulated from both home and host country influences and management culture (Dörrenbacher, Fichter, Neumann et al. 2000, Kahancová 2008, Thirkell, Petkov and Vickerstaff 1998, Tholen 2007). Indeed, as case studies of foreign enterprises in the region demonstrate (e.g. Cheglakova 2008, Kvinge and Rezanow Ulrichsen 2008, Mako and Novoszath 1994 in Thirkell, Petkov and Vickerstaff 1998, Pollert 1999b, Tholen 2007, Tholen and Hemmer 2004, Toth 1998), transnational corporations (TNC) reveal a wide variety of IR strategies and union-management relations across the CEE countries. Furthermore, as Kubicek (2004) notes, the common assumption that TNCs would always take anti-union stances did not prove to be correct across the whole FSU. In some cases, labour weakness and submissive positions made explicit anti-union stances unnecessary.

While paternalism and authoritarianism in managerial styles have been a familiar feature of socialist IR, emerging hostile and dismissive managerial styles were not present, let alone common, under the socialist system of IR. The emergence of these managerial styles demands that trade unions engage new approaches to worker representation that adapt to the changing managerial approaches to IR, including unions' involvement into work-related conflicts.

### 1.3.3. Trade Unions Under the Conditions of Post-Socialist Transformation

The literature on post-socialist trade unions is dominated by the perspective of union weaknesses (e.g. Arandarenko 2001, Ashwin 2007, Ashwin and Clarke 2003, Crowley and Ost 2001, Crowley 2004, Grdesic 2008, Kideckel 2001, Ost 2001, 2005). Given that union strength is characterised by “[...] the ability of unions to secure material rewards for its members and exercise a degree of authority in the workplace and over national policy” (Crowley 2004: 400), post-socialist unions have turned out weak actors. In this context unions’ weaknesses were most commonly measured by statistical indicators such as average wages, union density, scope and effectiveness of collective bargaining, and strike activity. However, the validity of these indicators across post-socialist countries must be questioned, as they provide incomplete and unreliable information.<sup>12</sup> The unions’ ability to facilitate interest-led conflicts and achieve gains during conflicts over wages, employment, working conditions or alike, would serve as a more appropriate basis for the discussion of union strengths or weaknesses.

Alongside the specific differences in defining union weakness, the authors detailed the constraints on the development of strong trade unions, either in relation to context (structural factors and contextual legacies) or in relation to unions themselves (their lack of ideology and the preservation of traditional roles and functions). The analyses, however, have not offered a comprehensive account of union weaknesses that would combine the interaction between both structure- and agency-related constraints, besides from very limited exceptions.<sup>13</sup> Additionally, observations about the constraints on the development of strong trade unions have mainly been based on the analysis of successor trade unions.

Firstly, the literature highlights structural factors that weakened unions (Arandarenko 2001, Ashwin 1999a, b, Casale 1997a, Chen and Sil 2006, Clarke 2005, Kideckel 2001, Kokanovic 2001, Kubicek 2004, Mandel 2004, Pollert 2001). The context of transformation,

*“a complex set of structural factors – including [...] the horizontal and vertical fragmentation of labour, the deep and prolonged economic crisis, the prevalence of unpaid leaves, the domination of social ownership and the delay of privatisation, and the structure of collective bargaining – best*

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<sup>12</sup> For example, the information on how many members trade unions have is self-reported by trade unions in their application to participate in the tripartite bodies. Unions have a structural incentive to over-report membership numbers, as the number of seats in the bodies is distributed between trade unions based on their number of members (Clarke 2005, Crowley 2004, Kubicek 2004).

<sup>13</sup> The study of Mandel (2004) is an exception in this regard. Mandel finds that union weaknesses were the result of the impact of both objective (responding to the context) and subjective (inherent to trade unions themselves) factors. However, in relation to subjective factors, Mandel discusses the union leader’s resistance to change as the only subjective factor, thus leaving other factors inherent to unions unconsidered.

*explains labour's weakness and apparent ineffectiveness in preserving its relative and absolute position (Clarke 2005: 176).*

From this perspective, due to the fact that different structural factors were inherent to the union operating context and were outside of union control and immediate influence, trade unions had “[...] to constitute a representation of workers’ interests under conditions that make such representation extremely difficult, if not entirely undesirable” (Deppe and Tatur 2002: 92). This set of structural factors, therefore, explains the failure of trade unions to deliver sufficient worker representation.

Certainly, structural factors, such as long economic recessions, privatisation and the lack of political stability constrained the possibilities for trade unions to deliver reasonable conflict gains. These included wages and their payment without delay, for instance an issue which is discussed more extensively in Chapter IV. Nevertheless, in spite of these constraints, which existed in the operating environment of all trade unions, some unions have still been successful in conflicts over wages and employment (Hanke and Mense-Petermann 2001, Huzzard, Gregory and Scott 2005, Mandel 2004, Trif and Koch 2005a, b). As such successes have showed, “[...] even in the most daunting ‘objective’ circumstances, an independent, union-building strategy is possible and can yield gains for members” (Mandel 2004: 195). As structural factors undeniably weaken trade union capacity to enact interest-based conflict, these examples of trade union successes show that the structural factors alone cannot sufficiently explain the failures of trade unions to deliver conflict-based worker representation. Especially in deteriorating working conditions (e.g. in cases of lay-offs and increasing wage delays) workers are more likely to organise and to strike. Thus, structural factors can be used as a way to turn adverse circumstances into union political and organisational successes. As the structural conditions prompted increasing anger from the workers, this could have potentially facilitated and been used to develop collective articulation of work-related conflicts.

Secondly, one body of literature seeks to find an explanation for union weaknesses in the legacies of socialism (e.g. Connor 1994, Crowley 2004, Crowley and Ost 2001, Pankow and Kopatko 2001, Pollert 2001, Thirkell, Petkov and Vickerstaff 1998, Vickerstaff and Thirkell 1997). These broader and more general understandings of legacies include those legacies that are inherent to union operational contexts and cannot be easily changed solely by union efforts. Examples include low levels of trust and scepticism towards trade unions; legitimacy of trade unions; and weak worker agency (Crowley 2004, Vanhuyse 2007). This view of union weaknesses implies that trade unions tried to develop conflict-based worker representation, but workers’ mistrust, passivity and

scepticism inhibited unions' attempts to mobilise workers and engage them in work-related conflicts.

Undoubtedly, legacies inherent to the operating context including the communist background of trade unions, the involuntary membership in Soviet trade unions and workers' scepticism towards unions have had weakening effects on union development. Concurrently, the bulk of workers remained members of trade unions in spite of their scepticism towards those same unions and even in cases in which these same workers received no assistance from trade unions. Additionally, numerous cases of local protests that took place outside trade unions under the socialist (e.g. Grancelli 1988, Mandel 1994) as well as post-socialist conditions suggest that workers' passivity and scepticism alone are not sufficient to explain the reasons behind weak worker representation. Workers' protests conducted in opposition to the VTsSPS trade unions and STKs indicate that the institutional legacies have little explaining power in cases of workers' self-organisation outside the existing trade unions.

Thirdly, trade unions' weaknesses stem from the lack of class ideology (Crowley and Ost 2001, Frege 2000, Ost 2001, 2005, 2006, 2009, Pollert 2001, Sznajder Lee and Trappmann 2010). Contrary to the socialist premise of the structural 'commonality' of interests, the lack of 'class ideology' refers to the failure of trade unions to clearly position themselves on the side of hired workers, in other words, in clear opposition to enterprise management or the state. Despite the current situation of union ideology and leadership being informed by legacies, union ideology (specifically 'class ideology') can only partly be seen as *the* legacy of socialism. Identity and ideology is also affected by current pressures and challenges, and in turn unions' responsiveness to them. In this line of thinking union leadership is given most attention. Union leaders are highlighted as the vanguard of 'class discourse', whose key role is in advocating the existence of antagonistic workers' and employers' interests. However, while ideas have power "to change the perceptions a group [has] of its own interest" (Hall 1989 in Ost 2005: 38), post-socialist union leaders "did not believe in unionism" (Ost 2009: 19). According to these arguments, as "the crisis of socialist ideas [...] helped de-legitimise class cleavages" (Crowley and Ost 2001: 229), union leadership had no clear idea of what their unions' role and functions were in terms of providing worker representation within the pluralistic framework of IR. Consequently, the expected union reforms never came (e.g. Mandel 2004) and union leaders did not emphasise potential conflicting interests as being the basis for worker representation.

The issue of weak union ideology has had a critical influence on strong worker representation. The historic overlap between trade unions and 'labour collectives' and the confluence of workers' and managers' interests has certainly inhibited the development of independent conflict-based worker identity. At the same time, the pattern of representing exclusively 'hired' workers' interests that consequently contribute to developing labour-class identity and ideology are detailed in the various studies of miners' strikes and union reforms (Crowley 2000, Kubicek 2004, Mandel 2004, Vasi 2004). Independent unions, for instance, explicitly exclude management personnel from membership in the union, maintaining that this contradicts the very idea of a trade union. As these instances show, the lack of a class ideology and the union leaders' inability to define a new union role and functions in terms of interest-based conflicts cannot sufficiently encapsulate the reasons for weak worker representation. Rather, attention should be paid to the conditions under which the premise of conflict of interests could have been used as the basis for the organisation of interests and organisations, or even reorganisation of existing trade unions.

Fourthly, the unions' weaknesses stem from their preservation of traditional approaches to worker representation (Ashwin 2004, 2007, Clarke 2005, Clarke and Fairbrother 1994, Kabalina and Komarovskiy 1997, Kozina 2001, Kubicek 2007, Pankow and Kopatko 2001, Pollert 2000, Vyshnevs'ky, Mishenko, Pivnyev et al. 1997). Essentially, trade unions declare themselves 'hired' workers organisations, standing in opposition to enterprise management, but preserve traditional (social and welfare, albeit conflict-free) union approaches to IR. Although such union conservatism is the expression of union legacies, the inclusion of this literature is useful as it has further consequences for the enactment of different IR institutions. For example, in continuity with the socialist practice, collective bargaining and agreements often remain embedded in formal procedures and documents, with a high proportion of agreements being implemented incompletely and inconsistently and merely renewed rather than effectively renegotiated (Ashwin and Clarke 2003).<sup>14</sup> The strategic interest in preserving the existing forms of worker representation is a key issue. Trade unions and their leaders may have an interest in and benefit from preserving their traditional functions and so preserve traditional forms of worker representation. For instance, the provision of holiday vouchers and organisation of recreational activities has helped trade unions to

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<sup>14</sup> One example of the formalism of enterprise-based collective bargaining is the situation cited in Ashwin and Clarke (2003) in which the president of one hospital union signed an agreement prepared by the chief doctor without knowing what it contained, as she has not read it. Ashwin and Clarke (ibid), state that many of the provisions of collective agreements are violated on a regular basis and without penalty, and yet trade unions rarely counteract any of these violations.

retain the bulk of their membership, property and even ensure additional employer-provided resources for such social services.

The studies done by Clarke and Fairbrother (1994), Clarke, Fairbrother and Borisov (1995), Crowley (2000), Fairbrother and Ilyin (1996), Kubicek (2004), Mandel (2004), Morrison and Croucher (2010) and Thirkell, Petkov and Vickerstaff (1998) show that the over-generalised argument for blanket preservation of the traditional roles and functions of unions has not proved correct in all cases. When compared to the bulk of trade unions (which reproduce the historic model of social and welfare, albeit conflict-free, unionism) these studies identify successful cases of trade unions that developed new functions and strategies in the area of worker representation by raising and articulating work-related conflicts. Thus, not the preservation of traditional approaches to worker representation as such, but rather, the potential opportunities for and implications of the articulation of conflict of interests within or outside the existing union functions are key for our understanding of worker representation.

Each of the four interrelated explanations discussed above contribute to an understanding of the constraints on worker representation in the FSU. At the same time, as shown above, none of these explanations alone are sufficient to explain why this weak worker representation has emerged in the FSU *in spite of* the institutional incentives being installed there. The union weaknesses hypothesis is too limited in its capacity to explain the development of worker representation as it leaves out trade unions that have demonstrated an interest and capacity to represent pluralistic conflicts of interests. These cases show that general observations of union weaknesses may not necessarily apply equally or correctly for cases of different trade unions. More specifically, it leaves out many important features of trade union representation that were found in cases of newly emerging 'independent' trade unions. For instance, independent trade unions opposed the idea of simultaneously representing workers, enterprise administration and labour collectives. Also, they made use of the pluralist framework of IR when organising collective actions and mobilising workers (e.g. Bizyukov 1996, Buketov 1999, Kabalina and Komarovskiy 1997, Mandel 2004). These union practices have emerged in the FSU despite the structural constraints and context-related legacies. Workers' passivity and scepticism towards union representation were apparently overcome in these cases. Similarly, arguments for the lack of an ideology of the conflicting interests and the preservation of union traditional roles and functions are particularly inappropriate in the cases of independent unions and even some of the reformed former socialist trade unions as well. In order to go beyond this narrow perspective and to

include these issues, it is necessary to examine the process of union development in relation to the involvement in conflict by both reformed and independent trade unions.

#### *1.3.4. Union Revitalisation and the Articulation of Conflicts*

The development of the trade unions' capacity to represent hired workers requires, in the first instance, a capacity to raise potentially distinct or separate workers' interests. As part of a broader representative capacity guaranteed by trade unions, critical moments of conflict and dispute clearly reveal the capacity of trade unions to represent workers. As Ashwin (2004: 27) stresses, in post-socialist contexts, conflicts and union responses to them are important opportunities for assessing "[...] how far they [unions] have broken the golden chains of preferment in order to act as representatives of their members". The close analysis of conflict situations and union agency within them is thus critical for fully exploring the degree of changes from previous representation and conflict practices.

The few existing studies of post-socialist union activity in conflict situations (Ashwin 2004, Clarke 1996a, b, Crowley 2000, Kozina 2001, Pollert 2001, Trif and Koch 2005a) point to considerable continuity, with the Soviet practice generally characterising post-socialist union approaches to conflicts. This continuity specifically refers to unions' attempts to contain conflicts or, at best, to direct them into the bureaucratic system of arbitration and conflict-resolution (e.g. Ashwin 2004, Ashwin and Clarke 2003, Grancelli 1988). Kozina (2001) has shown that only in cases where the process of conflict development could no longer be prevented were unions ready to take leadership in such collective conflicts. It is clear that arbitrating conflict also means the de-mobilisation of workers and avoidance of any collective conflicts, a stark contrast to situations where conflict is generated within enterprises by worker-mobilisation, especially mobilisation under conditions that are unenforced by law. Additionally, although useful in its own way, this union strategy for solving individual and collective conflicts has not been effective at building the organisational capacity to represent workers. As Ashwin and Clarke (2003: 268) point out, bureaucratic, legalistic and individualistic means of pursuing the interests of trade union members undermines the attempt to develop collective organisation based on active membership as such an approach to conflict articulation is "[...] implicitly and explicitly posited as an alternative rather than as a complement to collective action". Essentially, such union approaches to conflict articulation have had implications for conflict-based worker representation.

As Kozina (2001) and Pan'kova and Ivashchenko (2006) have argued, the workers' preference for solving conflicts through legal channels could possibly explain the reproduction of conflict containment by unions. Under socialism, Soviet trade unions have functioned as "an entity external to individual workers and work collectives [...]" (Ashwin 1999a: 249). Consequently, such workers' collectivism (and thus trade unions) was not perceived or realised as the product of the collective organisation of individual workers (Ashwin 1999a, b). Thus, unions were not perceived by their members to be organisations that are responsible for articulating collective work-related conflicts. In order to strengthen worker representation this point would suggest that, having inherited members that are sceptical towards unions in their role as representatives in collective conflicts, trade unions were faced with the task of re-defining basic union-worker understanding of their representation and purpose. Essentially, studies of union development do not show how responsive unions have been to this need to reformulate members and workers' passive attitudes through, for example, advocacy and education. While training unionists across the FSU himself, Croucher (2004) has shown that union education has proved to be effective in breaking down the passive attitude of leaders and workers.

At the same time numerous cases of local protests outside the existing trade unions in the Soviet Union (e.g. Grancelli 1988, Mandel 1994) and afterwards suggest that workers' attitudes alone are not sufficient to explain these defensive union approaches to conflicts. Studying underground strikes, Bizyukov (1996) points out that many members of the reformed union still participated in the strike organised by the independent trade union despite the fact that the leadership of the reformed union had no involvement with the strike. This indicates that worker activism during conflicts was present, but this same activism "[...] was more closely connected with their personal positions than with the position of their trade union" (ibid: 257). Also, this further indicates the discrepancy in the positions of union members and some union leaders during conflicts.

Notably and particularly in the work-related conflicts Bizyukov (1996) and Kozina (2009) find, there are differences between previously existing and newly established trade unions. While reformed trade unions tend to contain conflict articulation or, at best, imitate activities in support of collective actions, newly established trade unions assist workers de-facto through their active involvement in collective conflicts. In this context, for instance, Borisov and Clarke (2006: 620) have made the case that within their commitment to maintaining social partnership, reformed trade unions may

conduct some days of action in order to show that these same trade unions “[...] can channel protest into harmless symbolic demonstrations and that they can secure the negotiated resolution of industrial conflict without resort to strike action”. In this respect, this position of reformed trade unions towards the articulation of conflicts “[...] has led them to discourage and even suppress displays of militancy by their primary organisations” (ibid, Kozina 2001, 2009, Pan’kova and Ivashenko 2006 have argued similarly).

From these analyses it is not clear how institution-led opportunities for conflict articulation (in the form of active and responsive unions) are made known and available to workers who find themselves either in work-related conflicts or even in spontaneous, ‘wildcat’ protests. While many of these workers’ protests are taking place in an unorganised, spontaneous manner, they raise some opportunities for unions to build on such situations, where workers define and highlight their interests as being distinct from employers. Furthermore, this literature says nothing about the relationship between the existing trade unions that articulate conflict through the institutional channels of conflict-mediation and more conflict-oriented, newly emerging trade unions that exercise conflict articulation through collective action. It is highly likely that worker representation is affected by this co-existence of different conflict articulation approaches between existing and newly emerging trade unions.

#### ***1.4. Conclusions for the Research Design and the Argument of the Dissertation***

The literature review above has shown that conflict-based collective representation, as part of a broader representation guaranteed by trade unions, has not yet emerged in the FSU in a comprehensive way. The general tenor in the literature is that the institutional framework for the expression and articulation of conflicting interests is in place. Nevertheless, weak trade unions reproduce the historical path of worker representation through the administration of enterprise-based welfare and non-wage services as well as through the practices that contain conflict articulation. As the literature review has demonstrated, particular features of different trade unions are ignored as are those cases of trade unions, which depart from the conflict-free path. A more differentiated approach to the co-development of these trade unions is therefore necessary for understanding worker representation.

First, as early analysis of workers’ strikes and independent unions shows (Bizyukov 1996, Borisov, Bizyukova and Burnyshev 1996, Borisov and Clarke 1996, Clarke and

Fairbrother 1993, Clarke, Fairbrother and Borisov 1995, Crowley 2000, Fairbrother and Ilyin 1996, Vasi 2004), conflicts of interest have served as the basis of organisation amongst early 'independent' unions in cases, where these unions have emerged from workers' spontaneous strikes. Independent unions were found to cultivate opposition and mobilisation around workers' interests (Buketov 1999, Crowley 2000, Hensche 1998, Kabalina and Komarovskiy 1997, Kubicek 2004, 2007, Wittkowsky 1995). At times, they explicitly excluded management representatives from membership in the union, maintaining that their inclusion would contradict the very idea of a trade union (e.g. Schneider 1992). As these observations show, independent unions use and support practices of worker representation that are more conflict-oriented than those of reformed unions. As the cases of some successor trade unions additionally show (e.g. Fairbrother and Ilyin 1996, Mandel 2004, Thirkell, Petkov and Vickerstaff 1998), some active attempts to reform or establish new trade unions do not conform to the argument for the path-dependent reproduction of historical forms of worker representation either.

These studies of union development stress the role of agency within the institutional structure of IR, that of union leaders, rank-and-file members and even agency as a result of workers' spontaneous action, in fostering a departure from the path-dependent development of worker representation. Albeit casually (e.g. Fairbrother and Ilyin 1996), the competition between different, particularly reformed and independent, trade unions is also mentioned as a factor which has led to such cases of departure. This observation has not yet been analytically explored and developed. Thus, the precise mechanisms and consequences of these co-existing cases of path-dependent and path-breaking union development remain undefined. The impact of the co-development of these trade unions and their conflict articulation practices on the enactment and reconstruction of the overall institutional system of conflict-based worker representation also remains unclear.

Surprisingly, in spite of these clear examples of the departure from the path-dependent reproduction of worker representation, these same independent unions were repeatedly reported in the literature to have had little influence and only 'marginal relevance' to IR (e.g. Borisov and Clarke 1996, Clarke and Fairbrother 1994, Clarke, Fairbrother and Borisov 1995, Hoffer 1998). The position in reference to 'independent' unions expressed by Ashwin and Clarke (2003) seems to be particularly common in the literature on post-Soviet trade unions. While Ashwin and Clarke aim "[...] to provide as comprehensive an overview of the development of trade unions and industrial relations

in post-Soviet Russia as is possible [...]”, they chose to “pay little attention to the alternative trade unions, which [they] justify by their marginal relevance to contemporary industrial relations and trade union development in Russia” (ibid: 2-3).

This conclusion is further more surprising given the constraints and serious barriers to the development of independent trade unions, particularly at the enterprise level. The obstacles confronting independent trade unions were consistently provoked, when independent union activities threatened ‘to disrupt the established occupational and political hierarchy’ (ibid, Clarke and Fairbrother 1994, Clarke, Fairbrother and Borisov 1995). The independent trade unions’ development was marked by resource-related constraints and the difficulty to extend their organisation across many sectors (Borisov and Clarke 2006, Clarke, Fairbrother and Borisov 1995, Hoffer 1998). Also, ‘serious barriers’ (e.g. Borisov and Clarke 2006, Clarke and Fairbrother 1994, Kabalina and Komarovskiy 1997, Kubicek 2004, 2007, Mandel 2004), including the opposition of the state and employers, have accompanied the development of the independent unions. Under these constraints, as some authors (Borisov and Clarke 1996, Fairbrother and Ilyin 1996) conclude, independent unions have reproduced “the structures and practices of their traditional counterparts” (reformed trade unions) and “were forced into the same compromises with management as characterised the traditional trade unions” (Clarke 2005: 14). In this view, independent trade unions are not seen to have departed from the path of socialist trade unions.

However, drawing conclusions about the independent unions’ role in fueling the formation of conflict-based worker representation requires more analytical and empirical rigour. Specifically, it is not clear which unions are included in the category ‘independent’,<sup>15</sup> or what legacy the activities of ‘independent’ unions have left in terms of worker representation and conflict expression. The consequences posed by their emergence for the development of forms of union action are also unclear. As this dissertation will show, especially in the Ukrainian context, these conclusions would hardly prove true in many cases of enterprise-based conflicts driven by independent trade unions. This would also be the case within the overall institutional framework of IR once a more differentiated analysis of chances, choices and tensions within reformed and independent trade unions is provided. Notably, the constraints mentioned above (resources, organisational difficulties and opposition of employers) had an exclusive

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<sup>15</sup> In the literature all unions that operate outside former official federations tend to be included as ‘independent’ unions without sufficient attention being paid to their origin (e.g. see the analysis of ‘new’ unions published in Clarke, Fairbrother and Borisov (1995).

impact on independent trade unions. These constraints differ from those (legitimacy, legacies and the dependence on employers and the state) identified in the literature, found mainly in cases of former socialist trade unions. By making a comparison with 'traditional approaches' of reformed trade unions, the inclusion of both trade unions into the analysis should show that the underlying reasons for their weaknesses differ structurally. Consequently, the mechanisms leading to path-enforcing or path-breaking endeavours are different as well. Such a differentiated analysis would show how newly established, independent trade unions can spur the development of new forms of union action in the face of the path-dependent development of the majority of successor trade unions.

Finally, worker representation by trade unions must be understood as a process and not only an outcome. For example, Avdagic (2003, 2005) developed an understanding of union effectiveness in achieving concessions from the state during the peak-level national tripartite negotiations. Avdagic's understanding of union efficacy is based on the historical and ongoing strategic state-union interactions and learning. As she argues, the processes of learning which are nascent to the interactions of trade unions result in adjustments to union strategy. A process-oriented perspective on union efficacy is also developed by Frege (2002). She argues that processes are especially relevant for the analysis of workplace representation when the opportunities to influence management emerge not only in moments of union-management bargaining but also through participation rights. Hence, it is not enough to look at the outcome of union-management relations; we must focus on and understand how the *process* of union operation influences union capacity to represent their members in the long run. In adopting such an approach, the path-dependent reproduction of worker representation by weak trade unions cannot be considered 'state of the art'. Rather, it is the process of union development that can ultimately indicate certain points of departure or return.

#### *1.4.1. Main Argument of the Dissertation*

The present dissertation offers a process-oriented perspective of union development, in which unions are understood to be strategic actors capable of making decisions and enforcing their interests within the existing institutional contexts, simultaneously being able to change those institutional contexts by adjusting or even departing from a certain path. It is argued that post-socialist trade unions find themselves in formative processes. It is the complexity of these dynamic processes of union formation that explains weak worker representation in the FSU. In this formulation, the perspective provided in this

dissertation shifts analysis of worker representation to an enterprise-based process of the co-development of previously existing and newly established trade unions.

In order to develop the argument on union co-existence further, first some basic assumptions need to be highlighted. Initially, contrary to the argument that independent trade unions reproduce the same structures, practices and compromises, which characterise successor trade unions (Ashwin and Clarke 2003, Clarke 2005), I assume that the choices of these unions (e.g. in terms of collective identity and opposition in relation to the state, employers and disposition to conflicts) underpin the new forms of union actions that are more conflict-oriented than those of the reformed trade unions. Secondly, from the perspective of union co-existence (and in line with the previous analysis of reformed trade unions), I recognise there is a stronger presence of reformed trade unions in enterprise relations and IR than independent trade unions. It is important to note that the strong presence of reformed trade unions does not automatically mean a guarantee of organisational strength or influential position. My argument is also in line with that which dominates the literature, that of union weakness. By comparing the organisational presence of both types of trade unions, it should be clear, firstly, that former socialist trade unions used to have the monopoly on worker representation in every IR arena and, secondly, that the majority of workers have remained members of reformed trade unions in spite of continually complaining that they were not appropriately represented by those trade unions. This distribution of union presence and membership across both types of trade unions would later have an impact on the subsequent development of independent trade unions. Finally, I assume that enterprise-based welfare and non-wage services play a strong role in shaping unions' and workers' choices. The enterprise-based dependency of workers to have access to welfare and non-wage services was highlighted as the means to ensure high levels of membership in reformed trade unions, simultaneously explaining the lack of collective actions (e.g. Crowley 2000). The provision of these services by reformed trade unions may possibly explain the decision of many workers to trade their dissatisfaction with successor trade unions in terms of conflict for access to material, non-wage benefits.

In order to develop the argument about union formation processes further, I differentiate between two levels of these same processes. At the first level, I recognise that the transformation of the institutional framework of IR has created the structure of an autonomous system, in which potentially conflicting interests between workers and managers represent the basis for the (re)organisation of collective actors and their

interests. Within the institutional framework, the unions' capability and capacity to protect workers is implicitly assumed. Nevertheless, union formation processes presuppose the development of union capability and capacity to independently articulate conflicting interests. This understanding of formation processes includes the processes that lead to the formation of conflict-based representation attributes within trade unions. At the second level, the simultaneous formation of different union representation structures at the same workplace should be discussed.

### *Emerging Union Paths and Changing Interest Constellations*

At this level of investigation, I look at the implications of the formative moment during the late 1980s. Given the historical background of post-socialist trade unions, the development of capability and capacity necessarily presuppose serious and deeply embedded union choices in terms of identity and agenda, structures and resources, union-management relationships and positions taken in relation to conflict. However, prior to the institutional rearrangement of IR, successor trade unions are limited in their capacity to make all those choices, given the party's decades'-long control over those trade unions. Instead, conflict-based union ability and capacities to represent and protect workers using strategies and organisational practices that are based on potentially conflicting interests emerge outside of the existing trade unions in the form of workers' spontaneous strikes and independent trade unions.

The key point in this process, during the 'moment of critical juncture', is the departure from the historical path of the monolithic and conflict-free union representation through the establishment of 'alternative' trade unions. In structural terms this was when the institutional parameters of IR were changed, following the establishment of worker strike committees, forerunners to the first independent trade unions. In terms of agency, meanwhile, this was when interest-based conflicts through new unions took place outside of the successor union organisations. The central question guiding this part of investigation is the changing constellation of interests and interest-based conflicts emerging within the arenas of IR during these initial moments of conflict articulations, when independent trade unions formed outside of the existing union organisations.

In a nutshell, alternative practices of conflict articulation outside socialist trade unions (as expressed in workers' spontaneous self-organisation) have developed at a time of an already shaken status quo and continuing questioning of the legitimacy of existing unions. Consequently, the formation of interest constellation and interest-based

conflicts also comes with the potential for conflict between independent and socialist trade unions as the identities, goals and forms of action defined and adopted by independent trade unions *oppose* those defined by reformed trade unions. For during this moment of critical juncture, the structural and historical differences between these trade unions provoke the development along either path enforcement (reformed trade unions) or path departure (independent trade unions).

**Hypothesis I: 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.**

*Subsequent Development of Union Paths and Organisational Pre-Conditions for Conflict Institutionalisation*

At the next level of union formative processes, sequences of interactions between reformed and independent trade unions should be analysed given that actors act, learn and adjust their strategies. The successes of conflict-based worker representation do not automatically accompany the establishment of a strong independent organisation during the critical juncture. Stabilisation and further development of independent union organisations is critical to be able to stay on the new, conflict-based path of worker representation.

While demands and mobilisation of independent trade unions continue to threaten the legitimacy of reformed trade unions, they also now threaten the organisational basis of reformed trade unions. Not only have independent trade unions started to organise workers across different professions and sectors, thus prompting members' withdrawal from reformed trade unions, independent trade unions have also started to demand equal resources and participation rights to those the existing trade unions have enjoyed. At the same time, despite the legitimacy-related problems, the legacy of reformed trade unions has allowed them to preserve their heavier presence in IR in comparison with independent unions. Given this context, discussion centres on the question: what opportunities and conditions exist for independent trade unions to have their path extended across a greater number of sectors and regions? Could independent trade unions easily enter the IR arenas, especially in the face of the strong organisational presence of reformed trade unions?

It is highly likely that the latent conflict inherent in the co-existence of both trade unions develop into inter-organisational conflicts and rivalry. In this subsequent phase of trade union formation, the co-existence of reformed and independent trade unions is likely to

result in clearly articulated, explicit opposition and conflicts between these trade unions. Contrary to the potentially positive results of union competition, union rivalry has constrained the initial and potential opportunities of independent trade unions to establish new forms of union actions on a broader geographical scale. With inter-union conflicts becoming more explicit and embedding themselves more deeply, 'winning inter-union battles' would most likely provide the evidence for staying on a new path. While 'losing inter-union battles' would most likely mean the return to path-dependent development, that is providing security for the existing union organisations, rich resources and close relationships with the state and employers.

**Hypothesis II. The strong organisational presence of reformed trade unions and inter-union conflicts have constrained the capacity of independent trade unions to construct, develop and strengthen new forms of union action within different institutional arenas of IR.**

#### *Consolidation of Union Paths and Forms of Worker Representation*

Finally, I turn to the question of whether independent trade unions exert any pressure over the course of reforms and formation of styles of action within reformed trade unions. I assume that positive effects would arise from inter-union competition. Where more than one union exists and union competition emerges, this effect is very likely to provoke improvements in the services of challenged organisations. Consequently, changes of conflict-articulation practices of reformed trade unions can be expected. Hence, inter-union competition provides an incentive for reformed unions to reconsider their approaches to conflicts. Therefore, at a more general level, it is possible to hypothesise that the establishment of more conflict-oriented independent trade unions thus provides an impetus for the processes and courses of change within reformed trade unions.

Nevertheless, this does not take into account the material rewards for members given by the social-welfare activities of these unions. Especially in times of economic deprivation, tangible, material incentives provide more plausible basic explanations for workers to choose between one or another trade union. Therefore, as I further assume, reformed trade unions would be unlikely to give up their core activities – social and welfare functions; the latter has proved to be a strong incentive for workers to stay members of reformed trade unions, in order to preserve their access to these material, though non-wage, benefits. Thus, reformed trade unions would likely look for ways to integrate both into the existing path, thereby adjusting this same path respectively.

**Hypothesis III. Under the impact of independent trade unions, reformed trade unions integrate new practices of conflict articulation into their existing forms of actions and activities, while incrementally adjusting the path of their development in order to preserve the core of their former services and activities.**

These three hypotheses form the framework for a discussion of post-socialist worker representation. A comparison of the activities of previously existing and newly established trade unions helps integrate the issue of development of union pluralism as a part of the discussion of the development of conflict-based worker representation. By identifying the implications of the concurrent development of both reformed and newly established trade unions during certain sequences, the concept of union formative processes helps to identify the mechanisms leading to the enforcement, adjustment of, and breaks with previous paths of worker representation.

