

# ECHANGES

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BULLETIN OF THE NETWORK  
'ECHANGES ET MOUVEMENT'

## **DOSSIER ON CLASS STRUGGLE AND SOCIAL CONDITIONS IN RUSSIA AND EX-USSR**

Chronology of struggles and social/economic conditions

Why the Russians don't revolt

The movement of the workers and the trade unions

Trade union movement in Russia - The first year's result

The Donbass miners' strike

How the recomposition of the ruling class takes place

## **THE SITUATION IN THE NORDIC COUNTRIES**

Sweden, Norway, Finland

## **DISCUSSIONS ON:**

Present society, 'marxism' and workers' struggles

Two interesting Mensheviks

# ECHANGES

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## This issue of *Echanges*

is mostly devoted to a dossier about Russia and the ex-USSR, composed of a number of articles from various sources. For a while now, in each issue of *Echanges* we have tried to put together some larger dossiers on class struggle with material covering a longer period (as with the dossier on Spain, France, Italy, and 'alternative unions' in the previous issues). One consequence of this is that what appears will be a mixture of older and more new texts. Another consequence is that with one subject taking a big part of an issue, other material will be delayed.

We therefore still have a lot of other material more or less ready to be used in the next issues as soon as we can bring them out. This includes: Dossier on struggles in France from autumn '93 onwards (Air France strike, Jan. '94 manifestation against the private schools, Spring '94 actions against the minimum wage for youth, What has happened at Air France after the 'big strike', A lot of smaller strikes) - A debate on 'The Refusal of work in the 90s' - More about ex-USSR - A lot of material about USA: Various struggles, social conditions, correspondence with contacts, vulnerability of new production methods - Struggles in Bangla Desh - Spain: Effects of the French and Spanish truckers strikes in '92, Struggles and developments in '93 and '94 - Considerations about present debates on the ultra-left - Railworkers and dockers struggles in Holland - India: Various struggles; Debate with Kamunist Kranti - Resurgence of workers' struggles in Indonesia - Some struggles in Germany - Argentina - Struggles in ex-Yugoslavia - Material about Vietnam, China and many other countries, partly taken from the French *Echanges* bulletin *Dans le monde une classe en lutte* - On 'workers councils'. We will also try to produce some new pamphlets in the coming period.

Altogether we think there will be a lot of interest for our present readers, and for new ones. To be able to bring out all this material and continue the publication of *Echanges*,

which is the work of less than a handful of comrades having too much to do, we ask the readers for some help in various ways.

Some issues ago we included a circular letter which we asked everybody to return. This had the purpose both of checking the addresses and of removing from the distribution list those no longer interested in receiving our material. Many have not returned the form, so therefore we ask once again that this is done.

We also ask those who are interested in our material to renew their subscription if it is a long time since they have sent something and those who have never paid anything to send a contribution. (If someone is interested in making a special contribution, that is of course very welcome.)

In addition we ask for any help in getting the material known to more people and increase the circulation. Help in this respect could consist in checking if various bookshops are interested in the material, encouraging friends and contacts to take a subscription, send material to persons, groups or organisations one think could be interested or send us their addresses, mention *Echanges* if one produces or writes to various journals, etc.

We are also still interested in and in many respect dependent upon readers sending us information or articles (made by themselves or taken from other publications) about struggles and conditions in various countries, as well as interesting articles in general.

## Collective Action

Notes #2 - Summer 1994

### The Refusal of Work In The 90's

● is an exchange published in FIFTH ESTATE in the late 70s.

Clearly, in one sense, the late 70s/80s were described here concerned - with a vengeance. For every people in the U.S.,

smashed" on the WELCAT UK group around a few years ago in its journal, only to turn around a year later and had

### Collective Action

Friends in the US have started publication under the name *Collective Action*. They have published three issues of the small bulletin *Collective Action Notes*. The goal of *Collective Action* is to circulate information concerning tendencies within present-day capitalist development and the struggles, both large and small, that inevitably erupt against it. We cooperate with *CAN* in many ways: discussions, collection and exchange of material, distribution, common use of material, plans for material to publish...

No. 1 of *CAN* contained the articles *Soup kitchens: a US growth industry* and *The reflux* (a story on being on welfare at the end of the 60s) and a chronology of strikes in the US October to December '93. No. 2 contains *The Refusal of Work in the 90s* (on the background of U.S. examples, it tries to raise again the debate from the 70s about 'Refusal to work - see the *Echanges* pamphlet with this title), *The Wildcat* (story of a participant in a strike) and the strike chronology *Snapshot USA*. No. 3/4 contains *Everywhere a class in struggle, Nov. 93-May 94* (from the French

*Echanges* bulletin *Dans le monde une classe en lutte*), *Snapshot USA - a chronology of struggles*, and *Handmade in Japan* (on Japanese car industry. No. 5 is in preparation.

Among pamphlets produced so far are reprints of the old texts like H. Simon's articles *The new movement* and *On organisation*, and also a reprint of an old *News & Letters* pamphlet with the title *The Maryland Freedom Union* (about independent rank and file unionism among black nursing home workers in Baltimore in 1966).

We said in the previous issue that *CAN* would be sent to everybody on the *Echanges* distribution list, but this will not be the case. Those interested in receiving *CAN* can write to: **Collective Action, POB 22962, Balto., MD 21203**. Subscription price is \$7 for 4 issues plus pamphlets.

We now and then experience that readers of *Echanges* are interested in various kinds of contacts between themselves. Readers in the US who are interested in any kind of contact with other readers or *Collective Action*, are encouraged to write to the *Collective Action* address.

## RUSSIA AND EX-USSR

The collection of texts which follow could appear somewhat patchy. Apart from providing some important factual information, they also aim at giving some elements for reflection - beyond the big declarations and words - about a 'revolution' which is pretended to have transformed 'socialism' or 'communism', as one wants it, into capitalism. This question deserves a more thorough analysis, which we hope to publish something about later on. There are those who saw in the eastern countries the Star guiding them to the Promised Land and who are completely disorientated by its disappearance - after the fall of the regimes of the eastern countries, interpreted as 'the failure of socialism',

many of them are moving to the 'right' in a more social democratic position no longer seeing any force or possibility for a fundamental change of society. On the other side there are those who were excited about the 'reds' and 'communism' like the bull in the arena and who are disorientated also, because they've lost their foes which had become their sole reference of thinking. There are those who, even if being critical to the regimes, saw in the Russian state bureaucracy the future of western capitalism (Russia as the first step of a kind of 'bureaucratisation of the world') and masked the evolution of this system of autarchic capitalism towards a traditional capitalism similar to that described

by Balzac or to the second French empire. Other 'critics' (of the more traditional trotskyst type) have struggled to explain all kind of varieties of theories about 'workers states', 'degenerated workers states', the need for a 'political revolution', etc. etc. Among all these people confusion is great, for themselves as well as in their writings when they try to explain what has taken place.

One of the first texts is **Why the Russians don't revolt from May 92**, which in a certain way

**struggle and social/economic conditions in the ex-USSR 1992 - 93** is a continuation of this previous chronology.

A separate text contains some reflections about **How the recomposition of the ruling class takes place**. I.e. the changes in the forms of appropriation of the surplus value by the people who formerly were called 'bureacrats' or 'nomenklatura' and who has become either capitalists or top managers. (Some outsiders, usually capitalist gangsters, also managed to enter this new ruling class, having quickly gotten their wealth when the control of the old state apparatus was crumbling and before a new order was settled.)

There are various texts and information about the unions, which with difficulties try to find a place as intermediaries on the labour market (with many of the same tendencies and contradictions we can find in the western world).

Other articles deals with strikes and the conditions of the workers, including much about a strike in June '93 in the mining district of Donbass in Ukraine.

Many of the articles deals with the relationship between the attitudes and strike movements of the workers on one hand and on the other hand the old/reformed and new unions, the politicians and political demands...

Altogether the articles illustrate well the difficulties in which the workers of the whole ex-USSR struggle. The material has been put together in order to provide some understanding and information from sources we have found interesting,

and it goes almost without saying that there are many remarks and judgements we do not entirely agree with.



complements the long account of struggles from the end of 90 to beginning of 91 published in *Echanges* 68/69. The text **Chronology of class**

## CHRONOLOGY OF CLASS STRUGGLES AND SOCIAL/ECONOMIC CONDITIONS IN THE EX-USSR 1992 - 93

*Echanges* has in previous issues published chronologies of class struggle in the ex-USSR from a circular letters distributed by Motiva Forlag, Postboks 9340 Vålerenga, 0610 Oslo, Norway. The following chronology from circular letter no. 5, published in December 92, starts where the previous one (see *Echanges* 68/69) broke off. In addition further material has been added and material about 1993 included. Material about 1994 is being continuously collected and will be published later.

The circular letter contained the following remarks: *The situation in the former Soviet Union is getting more and more complicated. The creation of new states has made the obtaining of news about the working class more difficult. Where there are no reports about strikes, we have tried to include more material about general economic conditions as this is the background for the life of the working class. In several regions war or warlike conditions are raging, there is not much to find about working class response to this development.*

We have used the following abbreviations for some of the journals quoted: Ab - Arbeiterbladet ↘ Aft - Aftenposten ↘ DS - Der Spiegel ↘ FT - Financial Times ↘ GP - Göteborgs-Posten ↘ ITT - In These Times ↘ IW - Industrial Worker ↘ IWB - International Workers Bulletin ↘ KK - Klassekampen ↘ Nw - Newsweek ↘ WV - Workers Vanguard ↘ US Bulletin - U.S.-Soviet Workers Information Committee Bulletin.

## FROM MID-JANUARY TO END OF 1992

Kazakhstan Shakhtinsk - Karaganda: A month-long strike at the Tentekskaya and other mines. The chief demands put forward: wages sufficient to buy enough food to restore physical strength, provision of food and items of urgent necessity, 15 % of coal output to be the miners' collective property. Coal managers have rejected the demand to receive a part of the extracted coal, and claim that other questions concerning food and goods supplies are outside their jurisdiction. The striking miners met workers at other mines. As a result, miners from Kazakhstanskaya, Shakhtinskaya, Saranskaya and other mines joined the strike. The strike ended Jan. 16 when the government met the chief demand of the strikers, giving 15 % of the extracted coal to the miners as their collective property. (IW April)

The Russian government was yesterday struggling to retain control of its economic reform programme after President Boris Yeltsin reportedly conceded large pay rises for miners and abandoned the target for a balanced budget in the first quarter of the year. Yeltsin, who met representatives from Russia's biggest coalfield, Kuzbass, on Wednesday, was reported by the Interfax news agency to have conceded higher salaries. Such a concession to the powerful mineworkers would open the way to further wage demands by other industrial workers. (FT 24.01)

Moscow TV News One 17.01 reports that miners across the country are ready to strike: *'In Dzerzhinsk, there are 18000 miners who are unemployed because they ran out of support timbers in the mines'* and have no money to buy more. *'In Armenia, the lack of gasoline and heating oil is catastrophic. There is electricity only six hours a day in the cities and four hours in the countryside. The enterprises have stopped working. There is energy only for the bakeries and hospitals. Kindergartens are closed down.'* Food riots have started erupting in various Soviet cities. In Tashkent, capital of Uzbekistan, police

opened fire on thousands of students marching on the presidential palace; several were killed. A week ago, shoppers in Stavropol broke store windows in outrage against the out-of-reach price of sausage - a kilo now costs up to a month's wage of an average worker. Angry protests in Vladimir over the cost of milk led local authorities to lower the new price from 6 rubles to 1.20 a liter, still massively higher than two weeks ago. Spontaneous food protests have spread to Moscow as well. On January 12, 1 500 people linked hands to block off the Kuznetski Most, only blocks away from the Kremlin, after a store ran out of milk... Already this month Lithuania has been hit by a weeklong strike shutting down the five biggest newspapers in the republic. On Jan. 13 the miners in the Karaganda coal field in Kazakhstan walked off the job. However, their misguided demand was for the state procurement agency to pay higher prices for their lower-grade coal. There is now talk of the Vorkuta coal miners going out as well. In the city of Voronezh, several hundred miles from Moscow, workers threaten to take strike action if *'measures are not taken by February 1.'* (WV 24.01)



## WHY THE RUSSIANS DON'T REVOLT

The following is an interview with the Russian sociologist and economist Tatiana Zaslavskaya, author of the 1983 report 'Manifesto of Novossibirsk' which is considered to have inspired perestroika. It's translated from no.83 (May '92) of the French journal 'Science et vie économie'.

**For the French it is difficult to understand the situation in Russia. Is the country completely bankrupt or is it more or less working?**

I believe that our people have no more clue. The rare statistics arrive late and are unreliable. The real volume of production is difficult to know. My feeling is that it is not collapsing. Of course things have become worse and worse, but the majority of factories in industry or agriculture are working. Take scientific research which today is the sector in the most difficult situation: no credit, no wages paid for months, no new material... Even so researchers still continue working - the survival instinct without doubt. I believe the threat of the complete collapse is fading away; for the first time for 3 months we can see a slight tendency towards an improved situation.

**What are the signs of this improvement?**

Opinion polls regularly carried out has seen the confidence of the Russian people degrade from month to month. In February this tendency reversed. The number of optimistic people rose. That does not happen by chance. In December and January there was no specific price rises because there were no goods on

The workers of Kazakhstan replied immediately with a strike to the freeing of prices after the Russian example in the second week of January... Last Monday the miners of Karaganda closed down half of the pits. (DS 4/92)

The recognized economist P. Bunitsj sounded the alarm on Monday in the old party paper 'Pravda': 'Price reforms have not led to the planned rises in production. On the contrary it continues to fall dramatically.' The production shrinkage now affects all sectors, light as well as heavy industry, energy sector and farming. Oil and coal production continues to fall, with the accompanying effects for domestic industry production and foreign currency incomes. The metallurgical industry shows all signs of a crisis. Bunitsj describes the fall in production in this sector as frightening. Just as serious is the situation in the consumer sector. Here production has fallen with 15 to 30 % in January alone, and deliveries of meat, cereals and milk have been reduced with around 30 %. Several places milk production has come to a complete halt due to the lack of packing... The banks can no longer supply the customers with rouble notes, and even on the black market a shortage of rouble notes is reported. (KK 05.02)

Thousands of people, among them doctors of medicine, teachers, drivers, cultural workers,

pilots, coal miners and judges, are now striking for higher wages and better working conditions in Russia. Wednesday 500 health workers from the emergency clinic Sklijfosovskij stopped traffic in the centre of Moscow. In the town Pskov, 250 kilometres southeast of St. Petersburg, 1000 doctors declared a strike. A large number of actions from many Russian towns are reported. Among others the teachers, doctors, drivers and judges in the home town of Yeltsin, Jekaterinburg, are on strike. But so far only pilots in the town Bilibini in Siberia, drivers in the textile town Ivanovo near Moscow and the teachers in the town Tver have had their wage demands met. The Russian government is now in direct negotiations with the coal miners in Kuznesk and Vorkuta who are preparing for a strike. They expect to have a concrete answer during next week. Gold miners in Magadan, far east in Russia, sent a letter to Yeltsin on Wednesday. They demand that the government pays market prices for the gold from the mines, and wages in relation to the gold price. If this is not met, they will start a general strike in their district. (KK 08.02)

Feb.18, Kemerovo Region: Service and restaurant workers - the example of miners, drivers, teachers and medical personnel - joined the wave of protests against the administration

## Russian life 'tough but bearable' 1994 Leyla Boulton on living standards after two years of reforms

A majority of Russians regard life as 'tough but bearable' after nearly two years of stop-go market reforms and months of economic crisis.

That is the attitude of 58 per cent of the population, according to a survey published yesterday. But 26 per cent say they live in "intolerable poverty", and only 1 per cent believes it is now "very well off".

The All-Russian Centre for Public Opinion Research found that 9 per cent of 3,977 Russians polled were optimistic or rich enough to argue that "things are not as bad as all that".

The polling was carried out across the country by the organi-

sation which forecast last December's sweeping election victory of ultra-nationalist Mr Vladimir Zhirinovskiy.

Asked to evaluate their material situation, 33 per cent of those polled said they were badly off, 7 per cent thought they were "well off" and 51 per cent said their situation was "average".

In recent years, Russian industry has suffered severe job losses, with factories closing or laying off workers. The population has also had to contend with continuing food shortages and rapidly rising prices.

The survey coincided with attempts yesterday by Russian officials to persuade the International Monetary Fund that

reform was still on course and the economy under control. An IMF delegation was in Moscow to clarify Russia's market reform plans since the shift in political direction after December's elections.

Mr Victor Chernomyrdin, the prime minister, who faces a credibility problem after pledging to fight inflation by non-monetary means, is believed to have warned officials they will be sacked if the IMF does not disburse a new loan of \$1.5bn (£1.0bn).

Russian officials have told the IMF that the government will drive inflation down to 10 per cent a month by the end of this year, from about 20 per cent.

They argued that Moscow was still committed to achieving financial stabilisation, despite the resignation of its most ardent proponents in the Russian government.

The IMF has publicly expressed confidence that the \$1.5bn, the second tranche of a facility to help countries switch from capitalism to communism, may be forthcoming.

Privately, however, officials said yesterday they were concerned about granting new money when it was still unclear whether or not Russia would stick to its budget promise to control spending and inflation.

Absent without leave, Page 6



and local soviets. They held a meeting near the city hall. The workers of Novokuznetsk formulated their demands. The store workers of Mezhdurechensk set March 3 as the date for a warning strike. (US Bulletin Apr.92)

Lithuania: A 2-week republic-wide strike of service workers begun Feb.3 has ended. The government has begun negotiating with the strikers who were protesting the plunderous character of the privatization of enterprises. The demands were: 1. Give the workers collectives preferential rights during privatization processes. 2. When converting an enterprise to a stock company, allow the workers to acquire unlimited shares of their enterprise. 3. Forbid the resale of an enterprise for 5 years from it was privatized. 4. Guarantee control over the privatization process by the creation of a three-sided commission with representatives of state, purchasers and workers. 5. Confiscate enterprises if the new owners violate the privatization laws (there has been instances of mass firings)... Feb.17: Negotiations between service workers strike committee and government concluded successfully - all demands were met. Now, in the event of privatization, 51% of the stocks shall go to the workers. (US Bulletin Apr.92)

Lithuania: People oppose privatization in different ways. The residents of the houses returned to the former owners have united into "The Association of the Soon-to-be Homeless"... they did not manage to have the decree cancelled. They have however had some success in opposing the officials and in refusing to give up their homes... Before the privatization was suspended, the collectives of the privatized enterprises tried to postpone it on any pretext. Sometimes they managed only by means of physical efforts. There were many cases when workers applying for shares in "their" enterprises made up an endless queue and managed to push out the "aliens". But the government introduced a system of application by mail. Considering the situation to be hopeless, the workers ceased respecting property. Stealing began on an immense scale.

the market. In February milk and other goods arrived in the shops but at very high prices, which is almost worse for the poor because they can see the shops full of goods but can't buy anything. After that we have seen prices falling somewhat. Not by government decree, but only by the effect of the market mechanisms; there wasn't enough people who could buy.

**Couldn't the freeing of the prices have been implemented earlier?**

In '86 a price reform could have been possible. At first in ricing the price of meat and milk which had no real economic basis; they were so low that it was not even profitable to produce. But Gorbachev and the other officials were frightened. For meat it was only question of rising it from 2 to 5 rubles a kilo. Today after the freeing of the prices in January 92, the official price is between 57 and 80 rubles a kilo. And at the free market in Moscow from 150 to 200 rubles... The price reform was not implemented in 86, now it is far more painful.

**How do the factories find raw materials, parts, etc.?**

There exists two parallel systems: the old centralised system and a free contract system. Between half and two thirds of previous economic links between factories are still there. Aside of these links which were established by the former planning system, new links have been created by the factories themselves, mainly when the subcontractors were too far away or not competitive. So barter is therefore most currently used between factories. For example between the state farms and the tractor factories the officials discuss how many kilos of meat could be delivered against a new tractor. The

Although the number of guards will soon surpass the workers, everything portable disappears. Service workers were on strike... The government had to make some concessions, but immediately paid the workers back - parliament issued a law which made strikes difficult. Unfortunately the workers were not well enough organized to consolidate their gains, but in the course of the struggle the privatization laws became "smarter", and the new government has suspended privatization and is promising additional rights to collectives wishing to become proprietors of their enterprise. In spite of all this enterprises continue to be destroyed. The administration often ruin the enterprises in order to privatize the remaining real estate. (RLR no.2)

Industrial production in the former Soviet Union is steadily falling, the fall in January was at least 17 %. According to some indicators production has almost come down to pre-war levels. Coal production fell with 10 % and oil production with 12 %. Tractor production fell with 10 % and the production of cars and railway waggons for goods transportation with 20 %. Most discomfoting is that production of rolled steel sheets fell with 27 %, and that indicates that the situation in machine production in the second half of February and beginning of March quite simply will be a catastrophe, it was said on TV. (KK 25.02)

Miners in Kuzbas in Eastern Siberia have declared an unlimited strike from Wednesday. The strike, which cripples several hundred mines, is a protest against the Russian government. *'The Russian government allows a gigantic, artificial difference between the wage levels in the mines and the workers in other industries'*, says the message from the Council for trade unions umbrella organisation. *'The strike in Kuzbas can start similar actions in other Russian regions such as Murmansk and hit all sectors of the economy'*, says a leader of administration in the regional centre Kusnetsk. (KK 11.03)

A March 13 session of the St. Petersburg city teachers' strike committee discussed the results

#### SOME MATERIAL ABOUT EX-USSR

Much material in this issue of *Echanges* is taken from or based on the two first issues of **RUSSIAN LABOUR REVIEW**, published by the Labour Information Centre "KAS-KOR".

The 3 first issues of *RLR* contains among other things: No.1: \* The trade union movement in Russia: The years' result \* Article and interview about the air traffic controllers' strike \* The confiscation of trade union property \* Soviet unions on the road to a shameful death \* A new role for the Russian unions \* Comments on the probable development of political processes in Russia \* Privatization in Russia \* On the ruins of the CPSU. No.2: \* The Donbass strike \* Lithuania: Privatization; Teachers strike \* 1.May in Russia \* Interview with the FNPR president \* The KSPR union federation \* Collapse of Russian health care \* Behind Yeltsin's defeat at the 8th congress; Yeltsin's referendum 'victory' \* Electronic communication and the Russian workers movement \* Long article and witness account of the 1962 Novocherkassk workers uprising \* A number of other articles. No.3: \* American trade union missionaries: The AFL-CIO in Russia \* The emergence of fascist ideology in the labour movement \* Unemployment in Russia: The reality \* Provocation! A history of Yeltsin's bloody coup \* The workers' social and political demands \* The FNPR makes its choice \* Trade union strategies in Russia - The example of Cherepovets \* The strike movement 1989-92.

*RLR* was supposed to appear quarterly at a subscription price of \$30/year, but problems have led to only 3 issues altogether in 93 and 94. Their address is Russian Labour Review Moscow, P.O.Box 500, Moscow 107061, Russia - CIS. But all subscription enquires must be addressed to Russian Labor Review, P.O.Box 8461, Berkeley, CA 94707, USA.

We also have two articles from a journal not devoted especially to Eastern Europe: **CAPITAL & CLASS**, Journal of the Conference of Socialist Economists. Address: CSE, 25 Horsell Road, London N5 1XL.

of the strike of school teachers on March 9. About 100 school teachers collectives took part in the strike (27 collectives on an official count) in 13 city districts. 14 schools went on strike at the Vyborsky district. Workers at a number of kindergartens also took part in it. Many collectives

were not quite ready for the strike, and so the beginning of the limitless strike was delayed. Trying to head off the strike committee initiative, the official trade union stated that it has been negotiating teachers pay rises with the administration. (TW June)

Russian consumers will not be able to enjoy almost free oil in unlimited quantities much longer. During spring the prices of energy will be let loose. The consequences will be enormous for the whole of the Russian society. Originally the government wanted to free the energy prices already 1. April, but yesterday Yeltsin said that the reform has been postponed until the end of May or beginning of June. The main reason for this shall be for the farmers to finish their spring work with cheap fuel. But Yeltsin stressed in a meeting with Russian politicians in the Kremlin yesterday that the country could not escape the 'painful experience' free prices would imply. One litre of gasoline, which now costs 1,40 rubles, is supposed to cost 10 rubles. The only exemption from the price reform is municipal heating and public transport. If the price increases should also cover these fields, it would lead to chaotic conditions in the big cities. Almost free energy was the pillar holding up the Soviet empire during what is today called 'the stagnation period'. Russia's huge oil production was used to lubricate both the Soviet society as well as tying the allies in Eastern Europe closer to Moscow. (Aft 25.03)

Since Yeltsin freed the prices from the beginning of this year, the ruble has lost its value with an astonishing speed in Russia and in the other republics of the Cooperation of Independent States (CIS). Goods of everyday need costs today five times more, the monthly rate of inflation still reaches almost 40%. *'Earlier we went shopping with a 10 rubles note'*, a worker says, *'today we need a suitcase filled with rubles'*. For one dollar, worth 1,8 rubles at the official fixed commercial rate until this new year, perhaps as much as 200 rubles has to be paid - nobody knows for sure... According to old communist habit so

state farms barter with fertiliser factories, the machine tool factory and so on. In spite of this new way of exchange, industrial production tends to fall. The civil war in Armenia, the difficulties in Georgia and Azerbaidan have important economic consequences because the factories in these states don't any longer produce or don't deliver goods to the other factories of the union, which then in turn work slower.

There are also some other problems. Take the example of the big lorry factory Kamaz. Formerly factories, industrial branches and states wanted a lorry. You even had to bribe the Gosplan civil servant to get more lorries. To build these lorries Kamaz needs 200 parts made by 200 factories in the union; these factories are now free to fix the price of their products. The result is that the total cost of a Kamaz lorry has rocketed to 5 0 0 . 0 0 0 rubles. No factory in the country can afford this price for a lorry, so nobody buys them. All the

fields around Kamaz are full of unsellable lorries. What is Kamaz obliged to do? It can't buy anything any longer from its subcontractors. These can't sell anything to other factories than Kamaz, so they have a second thought and lower their price. The relationship between factories are not only suffering from interethnic problems, but from the market mechanisms.

Restructuring is painful. Nobody knows how long it will last. Everybody



much money is printed as the state and the enterprises need. And that was in the past months more and more. In 1991 alone, almost five times more new money came into circulation as the preceding year. Nobody knows exactly. All figures represent only a delusive exactness in the economic mess of the decaying empire. The leader of the Centre for German-Russian Co-operation in

Düsseldorf once asked the Russian minister of finances, who controls the ruble circulation. But he didn't know either. When a minus in state finances arises, the currency presses have to run. When Yeltsin and the other presidents are going to rise the minimum wage in order to alleviate the exorbitant price rises - in the beginning of April it is to be doubled to 750 rubles - that can only be achieved with fresh notes. But they have no economic countervalue. The paradoxical result: Rubles are in short supply. But what Russia's vice president and minister of finances Jegor Gaidar immediately saw as a herald of normalisation, is nothing more than the final symptom of hyper inflation: The shrinkage of value of the money is bigger than the capacity of the printing presses. The sale of commodities then only earns worthless paper, therefore production fell dramatically. Trade is substituted for a shadow economy, in which only goods and foreign currency counts. And because putting money in the bank is madness, capital formation does not take place, which would be necessary for financing the urgently needed investments. Anyone who are in a position to put money in a

bank, goes to one of the new banks, which now are found everywhere. Last year at least 4000 new banks were started in the CIS republics. But what looks like a wave of new establishments, is



nothing more than the expression of the widespread distrust of state banks. (DS 14/92)

Until recently most enterprises didn't have to pay anything for their electricity consumption. Also private households got their electricity at extremely low prices. The result is a partly enormous squandering throughout all fields of the economy. *"Often the factory managers don't even know how much electricity their factory needs at all"*, says a Californian energy economizer from Lawrence Berkeley Laboratory, which for years has followed the energy market in Russia. Therefore the per capita consumption of kilowatt hours in the industrial regions are usually higher than in the western countries, even though comfort and use of household electrical appliances are at the level of a third world country. An even greater contribution to the squandering economy is performed by the dramatically obsolete Russian industrial structure and technology. Especially regarding iron and steel the former central planners steered the economy on a - with western standards - crazy squandering course and built up the capacity for a yearly production of more than 160 million

tons, 75% more than for example US steel works produce. The abundance led to a careless use of metal products over the years. Instead of replacement parts new machines are often produced. Scrap metals, with which the metal industry in the Federal Republic of Germany covers almost one third of its need of raw materials, are hardly processed anywhere in Russia. In order to produce one ton finished metal, the steel works in Russia produces one and a half tons crude steel, one third is apparently already waste in the production. All these steps are linked to unnecessary use of electricity, electricity which the energy planners apparently urgently needs to produce in nuclear plants. Even bigger are the losses in the oil and gas industry. Due to thousands of leaks in the pipe lines and damaged pumping stations, in the production and transportation of natural gas according to estimates of Russian experts millions of tons of the valuable energy resource - more than one fifth of the yearly production - is lost every year. This loss alone is sufficient to meet the yearly needs of Germany. Comparable big quantities is lost in the oil industry - from the derricks to the refineries - which pollutes the ground and ground water in large areas. (DS 14/92)

The price for gasoline rised Monday with 400 % in Moscow, where a litre of ordinary gasoline now costs 6 rubles. Since Jan. 6, when Yeltsin removed price controls for most consumer goods, the price for ordinary gasoline has thus risen with 1500 %. The price rise on Monday had been decided by the government last week and affects only the Moscow region. The gasoline supplies in the city has been very bad for a long time, leading to motorists having to wait as much as 3 hours at the gas stations. (KK 21.04)

Teachers in at least seven Russian cities are on strike, protesting government austerity plans that are slashing funding to education, health and other social services as the government pursues its efforts to implement a market economy. Thousands of Moscow teachers blocked streets April 22 as part of these ongoing protests. Teachers

is waiting for an U-shaped curve,, i.e. a rise after the fall of production. But will this rise happen when the GNP has fallen by 30%, 50% or 75%? That will effectively make a big difference especially on the social level.

**How many people are presently unemployed?**

There is only 1 million registered for unemployment. In reality there are far more. For instance take the military industry. Tens of millions of Russians work there and produce nothing useful. The factories of the military sector pretend to serve the public, or serve the big workshops. But in fact the technology is not at all adapted to this, nor the workers. Second example: agriculture. Everbody knows that 2 million workers will be sufficient, instead of the 20 millions that presently work in the state farms. But what will the other 18 million do? Result: the old system of collective farms is still in place and officially nobody is unemployed. But most of the farm workers work part time; they receive a wage, are not registered as unemployed and don't look for another job. Between 30 and 40 % of the people questioned recently have declared not to be sure to keep their job. It's quite a lot.

**Are the farmworkers of the collective farms interested in becoming farmers and to own the land?**

It is difficult to answer. 20% of the farm workers have declared ready to become individual farmers; i.e. 4 millions, two times more than needed in a realistic prospect for agriculture. Actually only 3% have already got a farm or will have one soon; 8% say they are ready to follow them; the others are only talking about their wishes but have done nothing. The great majority of the

are demanding an end to the cutbacks and a halt to the practice of transferring educational buildings to private ownership. Health care workers are facing similar attacks, as supplies of medicines have dried up and health care workers have been denied wage increases even as prices rise by 700 % and more. (IW July)

Production continues to fall in Russia. Statistics published Thursday shows that gross domestic product fell with 14 % in the first quarter this year. The number of people with a wage below the minimum wage to be implemented from 1 May - 900 rubles - has increased to 50 million... Unemployment is rising, even if it has not exploded in the way many feared. It rose from 70000 at new year to 118000 by the end of March. Oil and gas production fell with 15 million (metric) tons in the first months of this year compared to the same months last year. Coal production also fell. Approximately 70000 people in the health service in Russia are now on strike. This group is among the worst paid in Russia and often earns only 700 rubles. Only people working with emergencies and children are exempted from the strike. Also a large number of teachers, this is also a group with low wages, are on strike. In all there were 260000 strike days in the first three months this year. (KK 25.04)

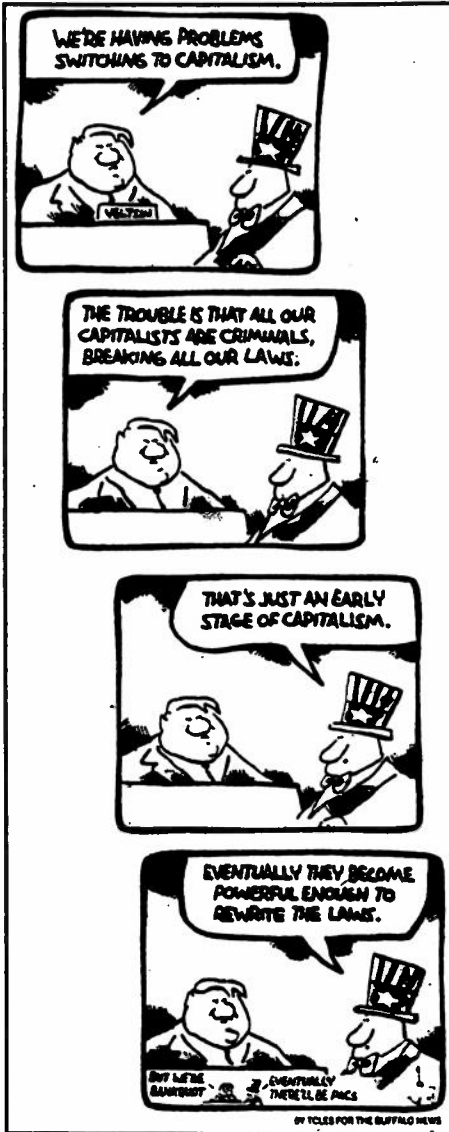
Yeltsin's strong medicine is already causing pain: most plants in the former Soviet Union are so inefficient that, in the view of the International Labor Organization, as many as 15 million people - or 15 % of the Commonwealth of Independent States' workforce - could be out of work by the end of this year. Yeltsin's advisers admit that their biggest threat comes from the factory floor. Long before unemployment reaches the unheard of level of 15 %, angry and desperate workers would probably take to the streets in protest. That in turn could effectively derail Yeltsin's entire reform program... Yeltsin's team is determined, therefore, to make an example of at least some factories by allowing them to go bankrupt. In Nizhny Novgorod last week, one car factory announced plans to lay off more than 10000

workers. The focal point of social unrest, if it breaks out, is likely to be the hundreds of small cities that have grown up around single factories during decades of socialist industrialization. If any of those factories goes bankrupt, thousands of workers would have nowhere to turn... Real reforms, like the breakup of Russia's monopolies, will take time. But for the moment, Zakhvatov has 17500 workers to feed, and like thousands of factory bosses around the country he knows their patience has limits. Last spring, 3000 Altai workers went on strike for a month to protest high prices, stopping production in four workshops... Some trade unions, formerly powerful arms of the party, are already organizing opposition based on workers' complaints. (Nw 18/92)

Since Yeltsin freed prices in January, inflation has been running at 30 to 40 % a month. The number of unemployed will swell this year from under 200000 to more than 2 million. Some 39 million people, more than a quarter of Russia's population, receive salaries below the official poverty line. Supply bottlenecks are beginning to close down whole industries and threaten widespread public unrest. "*Vodka production will stop in May*" the labor newspaper Trud warned last week. That alone could trigger riots in the streets. (Nw 18/92)

A strike by millions of Soviet doctors, nurses and health care workers has shut down hospitals and other facilities throughout the Russian Federation. Doctors and medical workers in Moscow voted to continue the strike Monday after the city government failed to meet their demands for increased wages and improved working conditions. The doctors issued a statement denouncing the disregard of the capitalist restorationist regime in Moscow for the health and very lives of the city's population of 10 million. An increasingly large majority of the people are not able to pay the escalating costs of medical treatment. At the same time, public hospitals are being closed down in growing numbers and home care is being sharply curtailed. The strike has spread all the way to the Russian

Far East, where almost all public medical institutions, including hospitals, clinics, a



diagnostic centre and pharmacies have been shut down. Workers at the hospitals and clinics

population is in favour of private farms: 80% of the town people and 75% of the country people... But it is a rather abstract wish, certainly influenced by the media, because nothing happens... We have questioned some people to know what they think would be the best organisation for agriculture. 51% of the country-people answered it would be the collective farms. Why? Because these farms were for years and still remain the pillars of the social life in the countryside; they were a guarantee against unemployment and a guarantee of normal wages. The state farms (and a part of the collective farms) can provide accommodation and nursery schools to the families, and these farms also offer some help to their members to cultivate their individual plot. It will be very dangerous to destroy all that. Most of the people are afraid to lose these advantages. They don't want to become competitors, strangers among strangers. Are town people, like country people, frightened by the new economy of free enterprise?

It is a matter of generation. Young people aren't. The others are. 30% of the total population are ready to settle their own business, but only 12% have tried to do so - they belong to the former middle class. 60 to 70% of the town people under 30 want to settle their own business. What are they doing? They buy, they sell, some are speculators, some others are in cooperatives, or have shops, small restaurants... Quite a lot of people keep their main job and have a second professional activity: they produce for their own business or for a cooperative, using the material of the state company. Result: a better quality and more money. For instance all the drivers of the factories or offices use company cars during the weekend to go

belonging to the Vladivostok railways announced a 'warning strike' last weekend. Under the strike plan, medical workers have now stopped issuing prescriptions and carrying out routine examinations. If their demands are not met by mid-May, they plan to halt all medical services... The health care workers themselves are among the lowest paid in the country. Even doctors in Moscow average a salary of only 928 roubles a month. The new official minimum wage is 900 rubles and Moscow's statistics agency estimates that a salary of 2000 rubles a month is needed just to meet basic expenses. The strikers are also demanding action to counter a critical staffing shortage. "We have only 63 % of the doctors we need to work in ambulances and 86 % of the assistants," declared a strike leader at Moscow's ambulance station. Workers are called upon to work as much as 72 consecutive hours. (The Bulletin 08.05)

In the Kuzbas region, for example, four time zones east of Moscow, a miner's pay now averages 12500 rubles per month (\$125). This is five times the average Kuzbas worker's pay of 2500 rubles... In Russia, wage levels have fallen so much relative to prices that more than 90% of the working people now have incomes below the subsistence level of 1500 rubles per month. (ITT 27.05)

The Russian money presses are running at high speed. This summer alone a larger amount of money has to be printed than in the past 30 Soviet years. Six months ago the Central Bank estimated the need at 500 billion rubles, whereas now financial experts estimate a need of almost a trillion because of the gigantic price and wage rises. Cash is lacking everywhere: Companies alone are 73 billion rubles in debt to their employees. Vice Premier Gaidar blames technical difficulties: The printing presses can not keep pace with the production of the newly issued five thousand note (without Lenin's head). From now on rubles will also be printed in offset. The chairman of the financial commission in the Russian Parliament thinks that the risk of forgery

is small: "That business has completely converted to dollars'." (DS 22/92)

Riga transport workers threaten a general strike: Bus drivers held a 4 hour warning strike Feb. 13, demanding higher wages, employment guarantees and organization of a union that excludes management representatives. Tram drivers announced their support for the bus drivers and put forth their own demands for increased wages. Taxi drivers also threaten to strike because they are threatened by mass unemployment due to the lack of oil in the Republic and privatization. Taxi-drivers insist they must have preference in buying their cars. A compromise was reached on February 28. The government promised to add 160 million rubles this year for bus transportation and 170 million on electric transport. The transport workers will get money obtained by price rises of alcohol. A free tariff was introduced and unprofitable routes abolished... Omsk workers occupy the Marx works: On Febr. 25 and 26, the workers of the shop N6 at the Karl Marx plant remained at their workplaces and spent two nights in the shop. Thus they protested against decreasing production and the planned layoff of 1500 workers... Belarus' "Italian" strike: The Independent Miners' Union of Belarus called a strike Feb. 11, after negotiations with the government on a general tariff agreement reached a deadlock. This became inevitable when the Council of Ministers sent people without authority to the negotiations. The union called for an "Italian" strike, but the strike committees of two mines stopped work fully. Miners from Donbass (the Ukraine), Vorkuta (Russia) and Karaganda (Kazakhstan) expressed their support of the Belorussian miners and warned that they may stop loading coal to Belarus. (IW May 1992)

The Russian state bank has made public that the note presses shall speed up. During June there will be printed notes at a value of 140 billion rubles. In a country where a normal months pay is about 1000 rubles, this is an enormous amount of money. Still it is just about what is needed to cover wages and pensions for



which the state is in arrears. The 140 billion which shall be printed this month is most likely only an omen of even bigger numbers of notes to be printed in July and August. When the lack of notes is overcome, the consequence is most likely to be a fast rise of inflation. Several Moscow papers predict a condition of uncontrolled inflation to come within two or three months." (Aft 03.06)

To the population in his home district Yeltsin brought one good piece of news: The huge armaments factories in the district shall be allowed to sell armaments abroad, and to keep for themselves 80 per cent of the incomes of foreign exchange. These incomes the enterprises shall be allowed to use to buy consumer goods. The offer from Yeltsin is likely to be well received. All of the Sverdlovsk district in the Urals is more or less dependent on the armaments industry. Russia's own need for new weapons is about to reach zero. A result of Yeltsin's reform politics might thus have been that his old home town and power base would become an industrial desert. Yeltsin also promised the people of the Urals that more notes shall be printed. In many industrial cities all over Russia the workers have threatened with a general strike recently if more money is not produced. Whole mining districts have also threatened with full stop in production if

to the countryside to buy vegetables and meat and to sell them on the markets of the big cities.

**Are these parallel circuits growing in importance?**

It is difficult to answer; these circuits are not new and apparently they have stabilised. But what is more interesting is to know which part in this 'side economy' is healthy and which is not healthy, what can be linked to speculation and corruption.

And what is the



Moscow not immediately dispatch billions of rubles due to the workers. Due to the fast inflation an acute shortage of notes has developed and in many enterprises the workers have not been paid in several months. (Aft 09.06)

The depressed silence at the gate to the Severnaya mine outside the grey Siberian coal town Kamerovo is about to break as talk is growin louder about a new miners strike. In the rich Kusbass district in Siberia thousands of miners have not received their wages for several months due to the acute shortage of money. Miners in Kusbass produce between 35 and 50 % of Russia's coal, but that can end any day if the threatened strikes are started. Both the miners and Yeltsin knows that the stakes are high. Coal is the basis of Russia's metal and energy industry and a strike would hit Russia's precarious economy hard. This would not be the first strike in Kamerovo. In '89 miners marched out of the mines and gathered in the city centre in protest against everything from low wages to the lack of soap in the mine's bathrooms. They ended up with support both from the inhabitants of the city as well as president Gorbachev. Today the miners in Kamerovo earns 250 dollars a month, 20 times the average in Russia. The strike resulted among other things in the right to payment for the two hours used to walk through the several kilometres long dark pits every day. But it is more and more typical that what counts in Russia today is not what you earn, but what is indeed paid. At a time when coal production is desperately needed to keep the factories running, the miners know that they have a strong hand. Each month the miners receive coupons that can be exchanged in the bank for money, but now there are not enough money because to little money is printed. The Government promise to speed up the printing

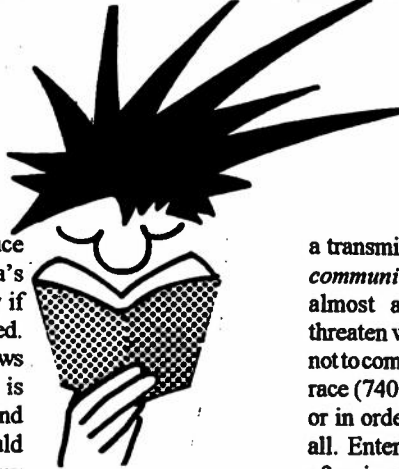
of notes, but the stagnating coal industry can collapse anyhow as a consequence of the Russian industry not beeing able to change to new ways of operating. (KK 11.06)

The strike wave in the former USSR has now also reached the South Pole: 130 scientists at five Antarctic stations no longer transmit research results to Moscow as long as their wages, currently 100 US dollars a month, are not increased. Their pay is *'hardly enough for paying the food for their families'* at home, the researchers complained in

a transmission to *'the international community'*. Currently in Russia almost all groups of employees threaten with strike - either, in order not to completely loose in the inflation race (740 % the latest four months), or in order to have any cash paid at all. Enterprises and authorities are often in arrears since February with wages, because the note presses

aren't printing enough larger notes. Doctors and teachers have already managed to fight for a pay rise. Miners, workers at the oil fields, workers in light and textile industries have publicly called strikes. (DS 25/92)

Yeltsin the populist is responding to an alarming state of affairs: life in Russia has become so difficult under the price reform that many Russians look back to Stalin's time with nostalgia. Prices have increased so much that though there are goods in the stores, nobody can afford them. Last week the price of bread and milk, essential for pensioners,



doubled. Meanwhile, privatisation has been blocked by hard-liners and bureaucrats. As a result, there is still no competition. State factories, often monopoly producers, frequently decide it's more profitable to produce less and keep prices high, so production has plunged. Virtually the only business being conducted is speculation, profiteering driven by soaring inflation. (Nw 25/92)

Thanks to the government's 'easy-money' policy, reform has so far produced neither bankruptcies nor massive unemployment, despite a twentyfold increase in consumer prices. The second wave of reform that is to unfold over the summer and fall will be much more painful. Russian economists predict that between now and the end of 1992, unemployment in Russia will jump from less than 150000 to 4 million. Up to 1/3 of all state enterprises could be declared technically insolvent. (Nw 26/92)

Things are so bad that Russia may be the only nation in the world where people knowingly buy burned-out light bulbs from curbside salesmen. Why? They can't find new ones in ordinary shops and don't want to risk arrest by stealing them from work. But they can unscrew a working light bulb at the office to take home, and no one will be the wiser as long as they have a blown bulb to replace it. So now Russians line up to buy dead light bulbs. (Nw 28/92)

The workers at one of Russia's biggest nuclear power plants, Krasno-

share of what we can call the 'grey economy', which is actually a non-official market economy and which already existed ten years ago, correcting the defects of the state economy. What is today most serious, is that corruption has become very common and accepted: everybody agrees with the fact that everybody is trying to take advantage of his official position. Under Bresjnev, most of the people were frightened and did that in hiding. Today it is done openly. For instance, to get 11 hectares of land, the official price is 400,000 rubles. At the parallel market you can get it for 1 million of rubles. It is out of reach: the only remaining way to get it is to bribe the district official.

**Seen from Paris the economical and social situation looks explosive. Yet there are very few demonstrations.**

Yes, communists and conservatives organised a demonstration: they hoped for 50,000, there was only 10,000. The overwhelming majority of the population don't believe that socialism is the answer to their sufferings. Even having said that, the present social quietness remains a mystery. In my opinion, six explanations can be given:

1. The importance of the 'grey



jarsk in Siberia, threatens with a strike if they are not paid their wages soon, Interfax reported on Sunday. A strike can lead to the reactors' nuclear kernel becoming unstable says a telegram from the trade union to Yeltsin. (VG 13.07)

The Russian government is now printing 260 billion rubles each month... The big increase is due to the introduction of a new 5000 rubles note in July. Some western economists fears that this gigantic amount of notes can lead to hyperinflation. Prices are currently rising with 15-17 % monthly. Russia has a chronic shortage of cash. Many workers have had to go for months without receiveing their wages. (Aft 07.08)

People in Russia experience every reform as a social step backwards. Today an average family must spend half their low income on food, last year a third was sufficient. A loaf of rye bread, last year 12 kopek, today costs hundred times more: 12 rubles. The price for butter rose from 4 to 200 rubles a kilo. Milk became 26 times more expensive. Often the employees receive no money. Whole staffs wait two months and longer for their wages and salaries, because the state can not print enough money. In May the arrears with wage and pension payments amounted to approximately 80 billion DM. No wonder that according to experts at one economical institute in Moscow already 40 % of the inhabitants in the capital are *'almost exclusively'* fed on bread, potatos and cabbage. The hoarded reserves are running out. *'Now refrigerators and cellars are becoming empty'*, a Moswoc historian explains families growing fright of the future. The fright is appropriate. The production of Russian enterprises are falling. Whether food, industrial or export goods, everywhere a two digit minus for the six first months this year was recorded. The traditional production structures are disintegrating, and a new order is nowhere to be seen. (DS 29/92)

Russian air controllers went on strike yesterday, but the airlines report that traffic runs as usual and that staff at some of the bigger international airports had ignored the strike call. The air traffic

controllers wants the government to honor earlier promises of wage rises and that a committee responsible for air traffic control shall be established. They demand a monthly wage of 30000 rubles, which is more than 20 times the minimum wage of 1350 rubles. It has been difficult to estimate how effective the strike has been nationally. The government has declared the strike illegal. A civil servant of Russia's air transport department says that military manpower has been transferred to civilian airports to maintain safety. The air traffic controllers have earlier threatened with strike, but negotiations have always averted the strikes in last minute. (Aft. 16.08)

Passenger fury and a tough line from government negotiators brought an early end to Russia's first national air traffic controllers' strike yesterday. The controllers, who were demanding pay rises, had gone on strike at 10am on Saturday after two rounds of talks with the vice president. Reports from provincial cities said angry passengers besieged air traffic control towers to force the controllers back to work. Several airport managers apparently declined to hold back the crowds who found their way to the control rooms and harangued and even beat the controllers until they agreed to end their strike. At Pulkovo airport outside St. Petersburg, controllers were reported to have erected barricades to fend off a crowd of frustrated passengers... The strike shut down 50 of Russia's 130 airports, including St. Petersburg. (The Times 17.08)

Wolski: Recently I was in Ivanov, a town of solely textile workers. There unemployment is threatening because the Central Asian republic only sell their cotton against hard currencies. But also the work done has not been paid for two months, because there is no cash. That is really absurd and is driving us towards the rebellion which I fear. The people is about to loose its patience... Billions of roubles are not printed on time. The Moscow champagne factory pays its workers in kind. A factory in Schuchowo its workers with bicycles for children. (DS 31/92)

A loaf of black bread costs 10 times more than last year, a litre milk 20 times more, a kilo meat is to have for 50 to 300 roubles depending on quality. Earlier the state shops only offered the inferior qualities, and then only occasionally. Now the shops are full. Last time that was so was before the first world war. But few can buy what is offered, because the average monthly wage is 4400 roubles. (DS 35/92)

An indefinite general strike yesterday paralysed Ukrainian airports and railway stations, just as the country prepared to join the International Monetary Fund... Most Ukrainian air traffic controllers, many rail workers and some of the powerful coalminers' organisations heeded a call by the Federation of Independent Trade Unions and took to the picket lines in an effort to force the government to grant the unions official status. Most of Ukraine's airports were closed, and trains were halted outside many cities. Coalminers, potentially the biggest political threat to the government, participated less enthusiastically, however, with only 30-40 % cent stopping work. (FT 03.09)

The government statement also called on the Ministry of Defence to provide Kiev with air traffic controllers and to allow planes to land at a nearby military base. More than 400 international and domestic flights had to be cancelled at Kiev's two airports because of the strike. A handful of trains initially scheduled to leave Kiev on Wednesday finally departed on Thursday... Air traffic controllers, pilots, train engineers and other ground personnel began a strike on Wednesday after the government failed to meet their demands for higher pay, more vacation time and better working conditions during six weeks of discussions prior to the walkout. Iron and coal miners walked out at several mines in the country as well. (Wall St. Journal 04.09)

A strike wave has crippled Ukraine since the beginning of September. The strikes, organised by the independent trade union federation, started among coal miners and has spread to railway

economy', which makes me think that the actual economical situation is less disastrous than we could believe from the official figures.

2. Not everybody has lost purchasing power the past two years: new groups of people have become richer and they have a real influence in society.

3. Quite a lot of families have stocks of food, an average from one and an half month to two months, some up to six months.

4. Western humanitarian help allowed to give food to the elderlies, the disabled, etc. This help concerns nearly 7% of the population.

5. The factories often own farms which provide food to their workers in addition to the salary.

6. The population is relatively well equipped with cloths, shoes, etc., a situation which allows most of the families to use a large part of their income to buy food this winter.

Among all these reasons which can explain why the situation is calm, most of them are conjunctural. What about be the future? The living conditions can deteriorate more. And nothing allows us to pretend that the Russian people will stay quiet any longer. According to the present polls, 40% of the population support Yeltsin (against 56% in December). It is not yet catastrophic. **Don't you think that Yeltsin will have difficulties with the autonomous republics which are still part of the Russian Federation?**

It is now the third step in the desintegration of the Union: after the Warsaw pact, after the USSR, now the Russian Federation has to be dismantled. It is always the same process. There is in fact a political (or ethnical) current of 'repulsion' and an economical current

workers and air traffic controllers. The unions demand a threefold wage rise and the equal rights for all trade unions. (Arbetaren 18.09)

600 big enterprises, as for instance the car factory in Nischni Nowgorod, are sending their workers home because lack of deliveries. In the Moscow factory 'Red Proletarians' most of the assembly lines stands still; the former model factory in machine tools production produces for the stocks while demand is low and prices high - as do the other fossils of the planned economy. In August Russia's industrial production fell by 27 %. Oil fields were closed. Coal mines are stopping production. In the Moscow Sil factory, producing lorries and the representative cars of the Kremlin, the 120000 strong workforce defended themselves against privatisation. They demanded job security and also the formation of a citizens militia for struggle against mafia and speculation. (DS 40/92)

*'It is easy to say that we need a tight monetary policy. But that can only be achieved to the price of mass unemployment and unrest in society.'* says A. Chandrujev, vice president of the Russian national bank. *'Inflation is now between 25 and 30 per cent each month and may be 2000 per cent at the end of this year. From July to September the state budget deficit grew from 457 billion roubles to 1.2 trillion roubles. During this year shop prices have grown twenty times. Wages in the same period have grown about five times.'* (GP) 18.10)

The Federation of Independent Trade Unions called for working collectives to take to the streets Oct. 24, hold demonstrations and demand that the Russian government and local authorities steer the economic reforms more toward the favour of the workers... Actions took place in 56 out of 60 administrative centers of the Russian federation. Rallies were held not only in administrative centers but also in small towns. (Russian Labour Review 1/93)

Ukraine: The amount of money is 40 times bigger than one year ago, and thus the rate of inflation is 30 % a month. At the same time

industrial production has fallen with 50 %. (Ab 07.11)

Lithuania: On average prices have increased 2200 % since 1990, industrial production the first 10 months this year fell with 48,5 % compared to the same period last year - and with 13 % from September to October this year. (Aft 16.11)

The sharp downturn in eastern Europe and the former USSR has deepened this year and for most of the region will continue into '93, according to the United Nations Economic Commission for Europe. In its Economic Bulletin published today, it says output in '92 has fallen even in those countries expecting a recovery, and *'most people have had to endure further cuts in their standards of living'*... However, in the former Soviet republics economic decline has accelerated in '92 and short term prospects *'leave little room for optimism'*... In the CIS economic activity fell by nearly a fifth in the first half of this year, to about 30 % below 1989 levels. In Russia alone, the ECE expects net national production (output excluding services) to drop by a quarter in '92, a fall of 36 % since '89. In the three Baltic states the situation has been worse still. In Latvia, GDP in the first half of the year was nearly a third down on 12 months earlier, *'the largest decline in any transition economy not racked by civil war or armed conflict'*. (FT 07.12)

A book robbery has taken place at the Lomonosov Library in Moscow. Robbers overpowered the staff and stole 124 expensive books and manuscripts. Some of them from the 14th century. (GP 14.12) Surely Russia must be one of the few countries where there is no use in robbing a bank and thus better to rob a library.

Reality at the moment looks different. Production and standard of living fall without stop: After an 8 % fall in '91, the industrial output will fall with another 20 %. For basic food, workers' and employees' families must use more than half of their earnings (1990: 25 %), pensioners even 90 %. Monthly rate of inflation is higher than 20 %. By estimates by the Harvard economist Jeffrey Sachs it has reached 10 % a

week - that would be 14000 % a year. In the state finances of Russia 2870 billion roubles are missing. That is the sum of the pensions of 40 million citizens for three years... The poverty line will be at 4000 roubles (21 kilo of meat) a month, according to estimates by the Russian ministry of labour: subsistence minimum for 50 million citizens, every third citizen of the Russian federation. At this social line of demarcation the danger of explosion is growing. (DS 50/92)

### 1993

#### *A chronicle of the disintegration of a society.*

The result is the creeping hyperinflation, now more than 30 % a month, which threatens to undermine Ukraine's fledgling currency, the coupon... Moreover, last month the government issued a further Rbs229bn in subsidies to coal and agriculture which will push the budget deficit towards 40 % of gross domestic product for '92. (FT 05.01)

Russia's productivity showed a dramatic and accelerating decline over 1992 in line with a sharp fall in industrial output. Productivity fell by 24 % over the year, according to figures released yesterday by the independent Russian research centre Macrocon-Link. This compares with a productivity drop of 8 % in '91. The fall in Russia's already low productivity rate is directly attributable to the plunge in production in nearly every sector over 1992 - while relatively few workers have been laid off. Macrocon-Link estimates that in all main spheres of industrial and energy production, except for gas and electricity, the decline in productivity has been on average 15-20 % in '92 compared with '91, and around 25 % compared with '90... In some sectors - as in fabrics and shoes - the decline in output over the two years from '90 to '92 was between a third and a half. *'Production fell most in branches which are directly dependent on imports of raw material and component parts (non-ferrous metals, electronics, light industry,*

of attraction. The political side is stronger presently. If Gorbachev had followed what Sakharov proposed at the beginning of 1989, the Union could have been preserved with peace proposals to the Baltic states. Similarly, Yeltsin has without doubt still the possibility to preserve the Russian federation if the claims of the republics are reasonable. The example of the Baltic republics could incite them to be careful. The Estonians thought that the independence would improve their situation. But they underestimated the economic links and the crisis is deeper in Estonia than in Russia... Anyway I am not very optimistic. As a Russian proverb says: a bad example always is followed. Already two ethnic groups, the Tatars and the Thetchens in Caucasia claim their independence and I fear they will be followed by others.



*chemicals and petrochemicals), and in the food industry due to the absence of effective demand and strict limits on the use of raw materials.*" Macroecon-Link says... In the last quarter of '92, however, Mr. Gaidar was able to bring credit and budgetary spending under greater control - taking inflation down from 33 % a month in November to 25 % in December. (FT 06.01)

When Russians complain about the failures of economic reform, they point to cities like Ivanovo. A large textile center 240 kilometers northeast of Moscow that once clothed half the army and produced one of every four square yards of fabric in the Soviet Union, Ivanovo is suffering by any measure. Output has dropped by half, warehouses are empty and raw materials are almost unavailable. Many thousands of people formally employed are actually on 'forced vacation', trying to survive in a time of raging inflation while receiving less than 20 % of their normal salaries... Old ties are frayed or sundered. The cotton-

growing republics of central Asia, some torn by civil strife, are growing less cotton and finding more profitable places to sell than Ivanovo. And state orders have dried up... For the workers, the great majority of them women, results are stark. Frolov (Ivanovo's largest textile factory) once had 6500 employees, but now many machines are covered, the lines shut down. Only 2000 people come to work making an average monthly salary of 5000 rubles, including bonuses of \$ 12, less than the Russian average of about 7300 rubles. The rest of the employees, who are formally on contract, are told to stay home. They get 75 % of the minimum wage of 1380 rubles or 1035 rubles. (IHT 06.01)

The former KGB general Sterligov in Moscow confirmed the setting up of Russian volunteer groups *'which shall help our brothers in Yugoslavia'*. The deputy from St. Petersburg, Beljajev, explained in 'Radio Rossia' how he had inspected two such companies in Bosnia,

## THE DIFFERENT UNIONS IN RUSSIA

The following is only some brief notes about the large number trade union initials and structures existing in Russia today. It is difficult, if not impossible, to know exactly their importance and real influence. It is even more difficult to situate their positions in relation to the political parties which exist or try to constitute themselves. Below, the initials are abbreviations of the name in Russian. The full name has been translated into English (in some cases followed by abbreviation often used in English).

**FNPR - Federation of Independent Trade Unions of Russia (FITUR).** The word 'independent' should not create any illusions. This federation is the legal successor of the official and only trade union in the bolshevik-stalinist system. It has preserved its property, bureaucratic structure and most of the rank and file of the old unions - i.e. its 'transmission belts'. The fact that it still takes care of the management of social advantages at all levels partly explains that it has kept most of the workers in its most important sectors: the military complex, metallurgical,

sea, textile... The FNPR is still the largest union federation in Russia, structured according to branch and territory principles, organising more than 90% of the workforce, counting maybe as many as 65 million members. In principle the FNPR affirms its independence vis-a-vis the currents of the ex-communist party like that of Yeltsin. It is close to managers of the big (state or privatised) enterprises. (1) The FNPU (Ukrainian Federation of Independent Trade Unions) is the equivalent in Ukraine to the FNPR.

**NPG - Independent Miners' Trade Union.** Founded in 1990 at the second Congress of Miners of the USSR. After the disintegration of the USSR the NPG changed name to the International Independent Miners' Trade Union. It federates the miners' unions in Russia (NPGR, 60000 members), Belorussia (NPGB) and Kazakhstan (NPGN). It could appear to be influenced by the American union federation AFL-CIO. After the FNPR, it's the most powerful of the unions.

**KSPR - Russian Confederation of Free Trade Unions** Founded in 1990, this union count less than 50000 members, regrouped in 12 territorial and 2 professional (military and metal sector). Position: could appear in a certain sense close to militant unionism/



whose mercenaries fought for 8000 roubles a month "for the orthodox belief and slavism" and who "no more took prisoners". For the chauvinist Beljajev that is a test case, because "it will soon be a civil war also in Russia". (DS 1/93)

Just before christmas Serbian militia men received unexpected re-enforcements at the front close to Trebinje in southern Bosnia. Approximately one thousand Russians in cossack uniforms had come as volunteers.. The informal alliance between Russian and Serbian nationalists have taken many different forms. The past months writers and politicians have traveled between Moscow and Belgrade to give support and advice. Whether the Serbs have received economic support is yet unclear, but Russian volunteers sent by nationalist organistaions have joined Serbian armed groups. (Arbetaren 3/93)

Ethnical cleansing in Tadsjikistan. Tens of thousands Tadsjikians flee on home made rafts

and empty oil barrels over the river Oxus during the night. They paddle from island to island towards safety in the neighbouring country Afghanistan. According to the UN 5000 cross the border every night. Russian officers manning the border stations, say that thousands of women and children have died due to cold and under-nourishment during the escape... The country on the border of the Pamir mountains, closed in by China, Afghanistan and Usbekistan, have become the paradise of outlaws. Unorganised gangs ravage. They are supported by the country's former communist lords who retained power after beeing overthrown in September by pro-islamic forces... Even though the refugees and their armed men are accused for being islamic fundamentalists, their real crime is coming from a particular region, from Garm in the north of Tadsjikistan. (KK 15.01)

Prices in Russia now rise with between 55-60% each month. This is twice the inflation at the

syndicalism, disclaiming to be close to any ideology except that of protection of the workers and refusing to work with state agencies because of its opposition to the government which it means still represents the 'old system', but otherwise collaborationist and politically very patriotic.

**SOTSPROF - Association of Social Trade Unions.** Formed in '89, conglomerate of small union organisations (for example for miners, mechanics, radio operators) in enterprises throughout Russia. For the 'free enterprise', openly liberal leadership following more or less the policies of the government. Position: "It's better for the workers when the free market and the free enterprise dominate."

It exists quite a lot of other small organisations which it is difficult to evaluate the importance of or give the positions of in the turbulent conditions of present-day Russia. We only give some names appearing here and there:

**PLSGA - Civil Aviation Air Personnel Trade Union.** Independent union of civil aviation pilots established in '89 - more than 40000 members in 160 union branches.

**FRAD - Air Traffic Controllers Trade Union Federation.** Formed in '89, around 5000 members.

**SMOT.** Trade unionist action group formed by dissidents in '78, today appears to be monarchist, groups

in Moscow, St.Petersburg, Smolensk, Tver and Minsk.

"Defence". Union organism consisting mainly of members of the 'Marxist Workers Party', with cells in many Russian cities.

**MFP - Moscow Federation of Trade Unions.** Associated to FNPR.

**STK - Union of Labour Collectives.** Formed as a reaction against the law on state enterprises reducing the rights of the labour collectives (STKs) in the enterprises, regrouping several dozens STKs of different enterprises. Interstate Union of L.C.'s (MSTK) formed in '91.

**KAS - Confederation of Anarcho-Syndicalist.** Local groups in 15 Russian and Ukrainian cities, as many syndicalist groups worldwide just as much a political/activist organisations as a trade union.

(1) From *Russian Labour Review* no.1: "St. Petersburg: The union committee from the 'Arsenal' factory came up with the idea of forming an association of wage labourers inside their trade union federation. The problem is that according to the statutes of FNPR, which includes the majority of the workers in the country, the workers cannot separate themselves from management, who are also union members.

end of last year... That things are worse than ever for the rouble, was demonstrated yesterday when, for the first time in modern times, it was possible to change one American dollar into 500 Russian roubles on the street in Moscow. Some black market traders were even willing to give 515 roubles for the dollar... If the government can not stabilize the value of money, the flight from the rouble will strengthen itself. Inflation will then live its own life, independent of what the government does. (Aft 21.01)

As the disintegration of a once proud army accelerates, with hundreds of thousands of servicemen left without employment and housing, signing up as a mercenary provides a convenient alternative. Russian newspapers are running long lists of discharged soldiers who never made it home to their families and are presumed to be dead or fighting in the pay of various ethnic armies battling for power. Journalists who drift from one hot spot to another in the former Soviet Union often run into the same mercenaries, who shuttle between combat zones. Not only former servicemen but also civilians motivated by ideology or love of adventure and money are joining the ranks of these new soldiers of fortune. The state of affairs is reminiscent of Africa in the 1960s, when white mercenaries made a living fighting in wars in the continent's newly independent states. Outside the Caucasus, Russian mercenaries have turned up in Moldova and Tajikistan. There have been numerous reports of whole companies of Russian 'volunteers' fighting on the side of the Serbs in what used to be Yugoslavia, and at least 30 Russians are known to have joined the French Foreign Legion. Russian soldiers deployed in some of the civil war zones do not even have to desert to make a few rubles on the side: they can simply roll out their tanks to do some freelance fighting and then return to their barracks to wait for the next moneymaking foray. (Time 25.01)

Armenia's president Ter-Petrosian is now forced to ask the country's former archenemy Turkey for help to secure electricity supply.

Major parts of the former Soviet republic, including the capital Jerevan, is almost completely shut off from deliveries of energy. Armenia have earlier received deliveries from Russia through the neighbouring republic Aserbajdsjan, but the bloody conflict over Nagorno-Karabakh has led to deliveries no longer arriving. The salvation has until now been a gas pipeline from Turkmenistan through Georgia, but on Friday this last life line was broken by an explosion in the Abkhasian rebel region of Georgia. (Aft 26.01)

Armenia is now into an acute economic crisis, and gas and electricity deliveries has been reduced to a minimum. Hundreds of factories have been forced to close down because they don't have fuel and raw materials. (Aft 03.02)

The huge Moskvitsj factories have closed down, the cars no longer receives engines from the Urals city Ufa, because the engine factory is also closed down - after the armed forces have stopped payment for its orders, which made up for 75 % of the production. Step by step the old system grinds to a halt. Companies keep their money for themselves, taxes are no longer paid to the state, the mafia takes over more and more, paratroopers must patrol the streets alongside ordinary police. (Aft 05.02)

The sailors of the Russian fleet are starving. A shocking report that has reached London tells about mutinies, fleingsailors and widespread under-nourishment. Four marines have died because of hunger. A emergency aid with extra food have just been sent to the Pacific Fleet after four sailors have died and 86 have been hospitalized with serious injuries... It is not only money that has not arrived, but also the necessities for the sailors have been used up. A Russian television reporter who has visited the home base of the Pacific Fleet reports: *'We saw lots of ill sailors. They looked like hobos, with their hair full of fleas. Many had black fingers and toes due to frost injuries.'* The first reports about deaths comes from the Russky island, a military base on the Russian east coast... An officer said yesterday: *'Pneumonia spreads fast among the sailors as*

*they are physically very weak and have lost a lot of weight because of under nourishment.* The latest shock report is the most serious in a series of exposures of how the former Soviet army is about to collapse. (Idag 06.02)

The term official unemployment has now also reached the Baltic states, and from Estland the labour authorities reports 20000 unemployed. If those who never have had a job and those who no longer are allowed to work full time is included, the figure is much higher. The problems are big in the heavy industry and the textile industry both being dependent on imported raw materials and they have been strongly affected by the crisis in industry. (Aft 07.02)

SEVERSK (TOMSK-7) Labour conflict broke out at the plant of electric-montage devices on Feb.5 after the workers were informed that their monthly salaries were from 5 to 10 thousand rubles. This lead to a stop-work and the decision to put forward economic demands (wage rises to 20-45 thousand rubles, indexation...). All the brigades signed the deamnds and a conflict commission was created. 3 days later the administration declared that salaries would be 3 times higher than before. (News&Views from Sovietsky Soyuz no.1)

#### "Economic indicators for CIS"

Jan-Aug 1992, fall from Jan-Aug 1991 in per cent

	GNP	Ind.prod.	Retail sales
Russia	-20.0	-16.6	-42.5
Ukraine	-12.0	-19.7	-25.0
Belarus	-15.0	-14.2	-28.3
Moldova	-22.5	-29.1	-55.0
Aserbajdsjan	-21.8	-21.8	-65.0
Armenia	-44.7	-50.3	-74.0
Kasakhstan	-20.3	-14.4	-41.0
Usbekistan	-20.5	- 9.8	-40.1
Kirgisistan	-25.2	-21.7	-64.0
Tadjikistan	—	-17.1	-68.6
Turkmenistan	-10.5	-23.7	-35.8

(KK 10.02.93)

Hundreds of Russian miners started Sunday a sit-down strike in the pits of one of the largest

mines in the country, local officials tell. According to an employee at the Vorgasjorskaja mine in the town Vorkuta in arctic Russia, the miners refused to come to the surface until their arrested leader is released. He said that the number of workers under earth is 230 whereas the strike committee claimed the number to be 314. The Vorgasjorskaja mine, one in 13 in and around the former punishment colony Vorkuta, has been the centre for workers unrest since the beginning of December. The workers originally went to strike on 5 December after complaints over late wage payments. (KK 16.02)

Today Lithuania finds itself in deep economic crisis. Industrial output fell last year by approximately 50 % and the little more than £15 which the average wage earner today makes each month only will cover half the ammount of goods that the same workers could buy 4 years ago. (GP 16.02)

The Ukrainian coupon currency is one year old. But its value is falling fast - also in relation to the rouble, which function as hard currency, surpassed only by DM and dollars... Living standards in Ukraina has already been estimated to be 15-20 % lower than in Russia. (KK 23.02)

In Russia production continues to fall. In '92 GNP fell with 20 % compared to the last catastrophic year in '91. Inflation for '92 was 2200 %, in other words hyper inflation since February (i.e. 50 % each month). Investments in the state sector fell with 50 %. Budget deficit is over 10 % of GNP. (KK 25.02)

An unprecedented growth of money supply - culminating in the issue of Rbs 1600 bn of central bank credit in December alone, or 60 % of national income - helped push weekly price increases to hyperinflationary heights of 10 % a week in January. (FT 01.03)

Approximately forty coal mines are now shut down by effective strikes, since the Russian miners have called actions against not being paid their wages. The miners also demands compensation against the galloping inflation, which renders the rouble more and more

worthless. In the Kuzbas district which is Russia's biggest coal mine district, the workers have held a 24 hours strike, but explained that they will take up the strike again within a week if their demands are not taken into consideration. In the Siberian mines the strikes continue uninterrupted. (Proletären 04.03)

The influential independent miners' trade union threatened yesterday the parliament with an unlimited general strike if the lawmakers should try to remove president Yeltsin. The trade union organises 25000 of the 35000 miners who work underground in Russia's biggest coal district Kuzbas east of the Urals mountains, from which the country's metallurgical industry receives 4/5 of its coal. (GP 26.03)

Coal miners in Ukraine's Donbass region ended a 4 day strike on 6 April, after the government agreed to consider their demands. Reports indicate, however, that the situation in the mines remains tense. The miners shut down 42 mines and coal-related industries last Friday after charging that the government had failed to keep its agreement with the unions. Talks with the deputy prime minister yielded no concessions and the miners union charged that the government was deliberately provoking a walkout with the aim of pushing anti-strike legislation through the parliament. (IWB 12.04)

Unions in Latvia staged a 15 minute warning strike on 6 April to demand the payment of wages, which are now several months overdue. Some workers have not received paychecks since September. The unions are demanding that the back wages be increased to take into account the inflation. Workers also demanded the resignation of the minister for energy and industry. "The people were left without the means of subsistence, and society is on the verge of an explosion", declared one union leader. (IWB 12.04)

An estimated 4000 teachers began walking off the job May 13 after turning down a wage offer that failed to match inflation... The wage offer drew a harsh response from the International Monetary Fund... Average salaries for education



Collectivisation ! (années 30)



Industrialisation ! (années 30-40)



Automatisation ! (années 60)



Компьютеризация ! (années 70-80)



Privatisation ! (années 90)

**Solidamost LES ÉTAPES DU GRAND VOYAGE 1917-1993**  
 From the journal of the Moscow Federation of Trade Unions

and health workers are only about 45% of the national average income... Teachers walked out of more than 140 of the 1000 schools. After a week on strike they agreed to resume work until the end of the month to allow the government to consider the demands and prevent students missing the final exams. (RLR no.2)

One coal mine after the other in the Donbas district have stopped during the past few days. The workers demand higher wages, but also regional autonomy. The last demand contains so much political explosives that it can threaten the Ukrainian state... The last days the workers in the Donbas district have staged many big strike meetings in open air... The direct reason for the strikes was price rises of several hundred percent for important food items. After the strikes spread, new demands have been added. Two days ago a group of workers also put forward the demand to hold a vote of confidence about the present president. Yesterday 155 of the 240 coal mines in Ukraine were on strike. If coal supplies are stopping up, so will Ukraine. (Aft 12.06)

35000 demonstrators converged in Donetsk yesterday to show their solidarity with the miners... The strikes, which have stopped work at 228 of the 253 mines in the Donbass region of eastern Ukraine and been joined by workers at some metallurgical and machine-building factories in the area, have pushed the political demands to the top of the Ukrainian political agenda. The miners of western Ukraine, which have been as hard hit by last week's five-fold leap in food prices as their eastern comrades, have by and large not joined the strike. But, according to observers in eastern Ukraine, unlike previous miners' strikes which have focused on pay increases for the coal sector, the main goal of this round of industrial action has been to give eastern Ukraine, which is predominantly Russian-speaking, greater political power... The first winner in this struggle is E. Zvehilsky, who has been catapulted from his job as mayor of Donetsk to the critical post of first deputy prime minister of Ukraine. The links between Zvehilsky's

Simon Clarke  
and Peter Fairbrother

## The Workers' Movement in Russia

**T**he programme of perestroika initiated with Gorbachev's election in 1985 was essentially a programme which sought to restructure production relations from above, unleashing a factional struggle within the ruling stratum which increasingly centred on the transformation of class relations. As this factional struggle polarised, each party sought to secure the support of the working class.

Gorbachev himself initiated the process of working class mobilisation in 1987. In the first stages this involved the attempt to provide incentives for the transformation of production relations, and to open new channels for workers' self-determination, but still within the limits of the old system of enterprise and ministerial direction. The failure to make headway led Gorbachev to call for a more active response from the workers, to sweep away managerial and ministerial resistance to reform, in 1989. The immediate response was a massive strike wave, led by the miners, whose demands went far beyond anything that Gorbachev had anticipated, although he still sought to assimilate the workers movement to the movement for perestroika.

Despite substantial concessions to the miners, their Strike Committees remained in existence, and workers' unrest grew, culminating in the renewed strike wave of March and April 1991. This time the miners' demands had a predominantly political character, calling for the abolition of the administrative-command system, the resignation of Gorbachev and the Supreme soviet, and the effective abolition of the power of the Communist Party. Far from providing mass support for Gorbachev's programme, the working class proved to be the social force which precipitated the collapse of the system with Yeltsin's triumphant election to the Russian Presidency, followed by the coup and counter-coup of August 1991.

Yeltsin's triumph has fundamentally transformed the conditions of class struggle over the restructuring of the social relations of production. Although the Workers' Committees played the leading role in the struggle between 1989 and 1991, their association with Yeltsin's programme means that it is by no means certain that they will retain their leadership role. Meanwhile the official trade unions have instituted reforms, and have taken an increasingly independent and oppositional role. In this paper we want to ask what are the likely forms of class struggle in the new phase of the transition.

### The Workers' Committee Movement

The leading role in the workers' movement between 1989 and 1991 was played by the miners' strike committees, which were organised at enterprise, local and regional levels. There was also a variety of small independent workers' organisations in other localities and other branches of production, from Workers' Clubs and Workers' (Strike) Committees to independent unions. In general all of

these organisations shared the characteristics of the miners' movement, in uniting a predominantly liberal democratic political leadership, which identified itself politically with the Yeltsin camp, and a rank-and-file base which was primarily concerned with immediate issues of wages and working conditions.

Despite the dramatic victories won by the miners in 1989 and 1991, repeated by many other workers on a smaller scale, and despite the enormous political impact which their movement has had, the movement is by no means as strong and united as might appear at first sight. The unity of the political leadership with its mass base has always been tenuous and contingent. There were few institutional links between different levels of the movement, and particularly between the organisation within the enterprise and the local and regional committees. Enterprise organisation was in general weak and transitory, springing up in response to specific grievances and disputes. The result was that, in general, although the workers' committees were increasingly oriented to political issues, they were able to elicit a popular response to strike calls if, and only if, such calls linked up with widespread economic grievances of the workers.

In 1989 the miners' grievances were long-standing, deriving from a steady deterioration in living standards and working conditions, and an extremely authoritarian, unresponsive and oppressive management. To an extent these grievances were specific to the miners, and other workers provided support in solidarity, although the miners' struggle was also exemplary, for all workers faced the same problems, if to a lesser degree.

The Workers' Committees performed a primarily political role between 1989 and 1991, as the informal movements were preoccupied with the local and republican elections in March 1990, and the

subsequent jostling for political position. There were increasingly frequent strikes in all branches of the economy, but attempts on the part of the miners' committees to call political strikes in July 1990 and January 1991 met with a very limited response.

The renewed strike call in March 1991, initially in the Donbass, also met with a patchy response. It was only when the government announced price increases in the middle of March that the strike escalated rapidly, and began to spread beyond the mines, most dramatically in Belorussia, hitherto the most quiescent region of the Union. Yeltsin and his associates played a major role in polarising the miners' strike by encouraging the leadership to press its political demands, undermining the government's attempts to separate the political leadership from the mass of the miners with limited economic concessions. The government's strategy eventually proved successful, when much more extensive concessions were granted, but the government's was a pyrrhic victory, for the struggle had provoked a political polarisation in the ruling stratum which culminated in the August coup. Although the coup was abortive, the very limited response of workers, even in the mines, to Yeltsin's call for a general strike showed once again the gulf which existed between the political leadership of the workers' movement and its rank and file.

The coup and counter-coup of August 1991 fundamentally transformed the situation in bringing Yeltsin to power, and giving new life to the programme of economic liberalisation. The first results of this programme were sharply rising prices, growing financial difficulties for enterprises and state bodies, and the expectation of a rapid rise in unemployment. Workers faced an unprecedented threat to their already reduced living standards, and levels of worker unrest

began to rise sharply at the beginning of 1992, as enterprises ran out of cash to pay wages.

In the new situation the Workers' Committees and independent trade unions were presented with a dilemma. On the one hand, if they did not express the grievances of the workers, and provide leadership to the demands for the indexation of wages and social protection, they risked losing their mass base. On the other hand, they were reluctant to sacrifice their political commitment to Yeltsin, and the access to political power which it had provided for them.

The independent workers' movement was now deeply divided. While pressing the workers' claims politically, the dominant position was one of support for the Yeltsin programme, opposing excessive wage claims as inflationary, and strike action as anti-government. In September 1991 the leader of the most militant Workers' Committee, that of the Vorkuta Miners, denounced a strike of surface workers for the restoration of differentials as 'anti-Yeltsin and anti-Russia'. The leaders of the Independent Miners' Union took a similar position in the run-up to its conference in December, opposing wage claims and strikes in the name of economic and political stabilisation. The leadership of the trade union federation Sotsprof was firmly committed to Yeltsin (and in Moscow to Popov), with its leaders having important advisory roles, and opposed Strike Committees and strike action in favour of peaceful collective bargaining, while its primary groups were moving in the opposite direction, taking an increasingly militant line and showing growing discontent with the centre. With the independent workers' movement still predominantly committed to Yeltsin, we have to ask whether the conditions are ripe for the official trade unions to take on the role of defending the workers' interests.

### The official unions

The main opposition to the liberal democratic politics of the new workers' organisations since 1989 came from the neo-Stalinist United Workers' Front, which trumpeted its commitment to workers' self-determination and the defence of workers' interests, and which had strong links with parts of the trade union apparatus. However the UWF in reality represented no more than the attempt of the most discredited party apparatchiks to secure themselves an institutional base following their defeat in the democratic elections of 1989 and 1990. Even amongst Communist Party members the UFT secured a derisory level of support, and its successors since the coup have had little more success.

Although the neo-Stalinists have a foothold in the trade union apparatus, they by no means control it. Since the coup the official trade unions have been very active, holding regular demonstrations in Moscow and other cities to demand the indexation of wages and the social defence of workers. In Moscow members of the tiny Socialist Party, the Confederation of Anarcho-Syndicalists and a minority faction of the former Workers' Platform of the CPSU came together with the leadership of the Moscow Committee of the official unions to establish a Party of Labour, acclaimed in an article under the name of Ken Livingstone in the *New Statesman* as developing 'the most advanced political ideas in the world'. According to the article the 'radical democratic ideas of the socialist tradition are fusing with the social achievements of the Russian people since 1917', in the form of a synthesis linking small groups of intellectuals to 'large organisations in Russian Society', based on a 'shift in the trade unions'. Certainly the unions have adopted a workerist rhetoric,

but do they really provide the mass base for a renewal of socialism in Russia?

At first sight the official trade unions are well-equipped to defend workers in the transition to a market economy. Around 98% of the Soviet workforce belong to the official trade unions, organised in about two and a half million primary groups. Soviet workers have legal rights incomparably stronger than do workers in the West, and the unions have an obligation to defend those rights. Union membership has not declined significantly, nor has their legal position yet been undermined.

The unions would also appear to be in a strong position to resist sectionalism and defend the interests of the working class as a whole. On the one hand, the unions are concerned not only with issues of hours, wages and health and safety, but are also involved in negotiating and administering the provision of such things as child care, housing, education, public catering, municipal transport, and sporting and cultural facilities, along with the distribution of food and scarce consumer goods and the administration of a wide range of welfare and social insurance benefits. They therefore represent the young and the old, women and men, the employed and the unemployed, producers and consumers. On the other hand, Soviet unions are organised on a branch basis, not on the basis of trade or profession. Moreover, the union represents everybody working in the particular branch of production, from cleaner and storekeeper, through enterprise Director, right up to Ministerial level. With such comprehensive representation, the union should be able to resolve sectional differences within its own structure.

In practice, however, the trade union movement is by no means as healthy as it might appear at first sight. Russian workers did not see the trade unions as representing their own interests, but those



of the nomenclatura, management and the state. Thus the central unions' own Research Department found in 1989 that only 4% of workers respected their own unions.<sup>1</sup> Although the Soviet trade unions look at first sight like Western unions, and particularly British public service unions, they are really only a caricature of such forms of workers' organisation.

The official trade unions were constituted according to the principles of democratic centralism, so that the interests of all workers were subordinated to the interest of the working class as a whole, embodied in the policies of the Party. This meant that lower union bodies were subordinate to higher bodies, and the union at all levels was subordinate to the Party. The strictly hierarchical principles of union organisation meant that there were virtually no horizontal contacts between workers in different shops, or workers in different enterprises, and that workers were not able to represent their interests directly, but had to channel their grievances through bureaucratic procedures. Within the enterprise it meant that in practice the union was under the control of the enterprise administration, and under the supervision of local party bodies.

Soviet trade unions had very little involvement with questions of pay and hours. These were determined centrally by the state, or along with the terms and conditions of work, which were a matter of management prerogative and informal bargaining within work groups. Even now, when unions are taking up the question of pay at the political level, within the enterprise unions still regard pay as a matter of management prerogative. The main duty of the trade union was to encourage the workers to meet and overfulfill the plan, by organising socialist competition, holding production conferences and encouraging socialist work attitudes. Its main function was the

distribution of a wide range of welfare benefits, from health care and pensions to housing and holidays, and, increasingly, the distribution of food and scarce goods among the workforce. This distribution function gave the union considerable power of patronage, as well as providing enormous scope for corruption. As far as ordinary workers were concerned, these functions made union membership necessary, but the trade union was identified as a corrupt and repressive bastion of the Party-state. It should not be surprising that Soviet workers have never looked to the trade union for the defence of their interests. Whenever workers have tried to organise, they have done so independently, outside the official trade unions.

As the Soviet system moved into crisis and the problems faced by the workers' mounted, it seemed that the unions would have the chance to recover lost ground, and to assert their role as the authentic representatives of the working class. The unions certainly tried to do this at national and republican levels by presenting themselves as the defenders of the interests of the working class in the transition to the market economy. This involved declaring their independence from the Party and the state, and demanding the indexation of wages, improved welfare and social security benefits, generous unemployment pay, and retraining schemes.

The All Union Central Council of Trade Unions (AUCCTU) began to assert its 'independence' in 1987, not as a progressive but as a conservative force. The AUCCTU began calling in 1987 for trade unions to revive union democracy and to defend the workers' interests. It increasingly stood out against government plans to introduce market reforms, insisting on very substantial social guarantees and high levels of unemployment

pay etc., as preconditions to any agreement on new legislation. This rearguard action was extremely ineffective, and simply meant that for the past four years the unions have had very little impact on policy. The new commitment to democratic involvement of the members was certainly not reflected in the practice of the official unions, which happily accepted the restrictions imposed by the 1989 Law on Strikes, and constantly tailed behind the independent workers' movement, that is, when they did not actively oppose it.

The All-Union CCTU was replaced by a new General Confederation of Trades Unions (GCTU) in October 1990, its conservative leader, the now notorious plotter G. Yanayev, was replaced by Vladimir Shcherbakov. However the change of leadership and change of name had no real substantive implications, for the unions continued to be the constant ally of the conservative forces in the Soviet government.

In response to the 1991 strikes the central trade unions co-ordinated their activity closely with Pavlov's government, stressing the need for a new system of collective bargaining within a corporatist tripartite framework. In April the GCTU proposed a thoroughgoing restructuring of the wages system, with centralised bargaining and the monitoring of agreements. This demand was immediately echoed in Pavlov's April 22 anti-crisis programme, which called for a 'tripartite social partnership' of managers, trade unions and government to set basic wage and salary levels and determine social guarantees, based on the principle of limiting pay rises to productivity increases. The GCTU almost immediately announced a comprehensive but unpublished, Agreement on Labour and Socio-Economic Issues with the government, foreseeing wage indexation, an official

minimum wage, wage reform, changes in the taxation of many goods, a government unemployment programme, larger subsidies for school and works canteen meals, and an increase in social expenditure of 47.6 billion rubles for 1991, in exchange for which the trade unions offered a no-strike pledge.

There is no evidence that these moves had any impact on the standing of the unions, and the GCTU agreement with the government was not worth the paper it was written on, not only because the government was on its way out, but also because the programme presupposed the existence of a system which had already disappeared. Economic disintegration meant that, whatever the juridical status of enterprises, wages were no longer centrally determined but were being set locally. The unions themselves were disintegrating *pari passu* with the system itself. Thus the GCTU was reportedly facing growing financial difficulties at the beginning of 1991, as local and regional unions failed to renew their affiliations or send in fees. The locus of activity of the union movement, as of everything else, was shifting away from the centre.

From March 1990 the official unions had already begun to set up separate Republican organisations, such as the Federation of Independent Trade Unions of Russia (FITUR), and revitalised their regional committees. The FITUR appears to be less conservative than the GCTU, and some of the regional committees, such as the Moscow Federation, have shown signs of a more radical and democratic orientation, and it is to these developments that a part of the Moscow intellectual left has sought to attach itself. However this democratic radicalism is no less rhetorical than is the workerist phraseology of the conservatives. The fact of the matter is that, with the collapse of the centralised administrative-command system, the

official unions have virtually collapsed at regional and national level as much as they have collapsed at All-Union level.

The regional and republican bodies are now essentially political organisations, which rhetorically espouse the interests of the working class in the attempt to defend the official unions from political or legislative attack, but which have no trade union functions left to perform.<sup>2</sup>

### The mobilisation of the rank and file

The key to the development of the trade unions, as of the independent workers' movement, must now lie at the grass roots. The liberalisation of prices and the dismantling of the apparatus of the administrative command system means that wages and prices are now set locally, by the enterprise administration. The immediate link between the workers' economic and political demands, which existed until 1991, has been broken, so that the focus of workers' demands is now the enterprise administration or local authorities. The limited relevance of political demands is best indicated by the activity of the FITUR, which managed to persuade the Russian parliament to pass laws raising the minimum wage and guaranteeing full indexation of wages and pensions at the end of 1991, laws which had no more than a rhetorical significance without the money to pay the increases.

The collapse of the centre raises the question of the possibility of a reconstruction of the unions from the bottom-up. In the wake of workers' growing activism over the past few years a new generation has moved into many trade union offices at enterprise and local level, motivated by a commitment to perestroika and democracy. Until 1991 such new activists found their aspirations thwarted by the higher levels of the

bureaucracy, but with these effectively removed it might seem that there is a chance of an effective reform of the official unions, to make them genuinely responsive to workers' aspirations at enterprise level.

On the other hand, two considerations would tend to weigh against such an optimistic conclusion. First, the perspectives with which such activists entered the trade unions were predominantly those of perestroika, which continue to be based on a presumed common interest of progressive management and workers in the restructuring of production within the administrative-command system. Many of the new generation of local activists are progressive in comparison with those they have replaced, but they are as out of touch with the mood of workers today as their predecessors were five years ago. In the new context of a market economy such perspectives will at best be divisive, pursuing the interests of skilled male workers and technicians against those of unskilled and women workers, and at worst will lead to collaboration with management against the workforce.

Second, and more fundamental, the structure of the union at enterprise level is unchanged, and this is still a structure adapted to monitoring, regulating and controlling the workers through the network of patronage and inspection, which has thoroughly discredited the union in the eyes of its members. Trade union leaders are aware of this dilemma, and many of them express a desire to restructure the union so that it can function as a 'real' trade union, rather than as a welfare and distribution agency, handing the latter functions over to the administration or to state authorities. However, such a restructuring is easier said than done. The problem the union faces is that if it gives up its welfare and distribution functions it gives up the patronage network which is the only basis

of its existence, for without those functions it has no usefulness either for the administration, or for its own members.<sup>3</sup>

The fundamental problem is that the union is structurally incapable of separating itself from enterprise management. First, the union is completely dependent on the enterprise administration, which means that the administration can simply cut the ground from under a union committee which opposes it. Second, the collapse of the Party has driven the union even more firmly into the arms of management because the trade union no longer has any higher authority to which to appeal. Third, the union is unable to appeal to its members for support, because in their eyes it is simply an arm of the administration, which they do not trust, and to which they owe no allegiance. Indeed, a major problem which the independent unions face is that the official unions are so discredited that most workers do not see any need for a union at all.

In practice the crisis of the past three years has forced the unions into an even greater subordination to management, as they have lost the support of higher political and union bodies which in the past gave them some basis for independence from management. A number of informants have told us that the unions do sometimes support the workers in opposition to management, but none has been able to quote an example of such action, outside the mining industry.<sup>4</sup> In our own research we have found only two recent examples of a union opposing the enterprise Director, and in both cases the union was supporting the majority faction of a divided administration. In one case the Director is resisting a union-backed demand that the enterprise sack 30% of its workforce, targeted primarily at unskilled women workers, in order to raise the wages of the remaining workers. In the other case, in 1990, the union backed a move to

remove the Director and elect another. However the labour collective voted in their own candidate, against both the old Director and the union-administration nominee. In response, the union and the supporters of the old Director went to the Ministry in Moscow, which refused to confirm the elected Director, and installed its own nominee. Elsewhere are cases in which the administration or, in the mines, the workers' committees have taken over welfare and distribution functions and the official union has collapsed.

More typically, we have found union committees identifying themselves completely with the enterprise administration, operating as a branch of the administration, in complete subservience to the enterprise Directorate. We find the union collaborating with the administration in attempts to prevent the emergence of any democratic workers' organisation within the enterprise, and to subvert any independent organisations which arise.<sup>5</sup> Far from democratising themselves, we have found two cases in which the official union has just switched to a five-yearly cycle of elections, to avert the danger of democratisation.

The unions will certainly come under increasing pressure from below, as workers demand compensation for price increases, as they demand improved social security guarantees, and as they resist (union-backed) management attempts to impose a 'nomenclatura privatisation'. However these demands are not being channelled through the official unions, but through unofficial groups of workers which, if they are oriented to official channels at all, look to the shop, factory and enterprise meetings of the Labour Collective Council or Council of the Association to provide a forum. All the evidence suggests that the official unions at enterprise level will continue to look to management for their support, and will continue to resist the

development of independent workers' organisation which they rightly see as the main threat to their own survival.

Independent workers organisation at enterprise level is still very small scale, fragmented, and operates with minimal resources. Nevertheless, at least in the major industrial centres, virtually every enterprise has a Workers' Committee, Strike Committee or independent trade union, even if it comprises no more than two or three individuals. Despite their small size and limited resources these committees are made up of active and influential workers, and have repeatedly shown that in a confrontation they enjoy substantial support.

Many of these Committees and their activists are affiliated to independent trade union or political bodies outside the enterprise, to which they look for political and financial support and for advice, particularly on the establishment of a legal constitution which can protect them from victimisation by management.<sup>6</sup> However the independent workers' organisations are constituted on the basis of local autonomy, which means that the relationship between primary groups and wider organisation is essentially a servicing relationship, rather than a political one. The reason why the liberal democratic workers' organisations were able to attain their hegemony over the independent workers' movement during 1991 was primarily that they were able to provide the legal and financial support and political protection which met the needs of primary groups. However, our interviews have shown repeatedly that this link is weakening as the political leadership is absorbed into the state apparatus, so that primary groups are increasingly looking to their own resources.

With the dismantling of the centralised administrative apparatuses, the liberalisation of wages and prices, and moves towards privatisation, the locus of struggle

is shifting firmly to the enterprise. There is little doubt that the nucleus of this struggle will be provided by the unofficial organisation which has developed over the past three years, and not by a revitalised trade union apparatus. The strike actions which have broken out in 1992 seem to conform to this diagnosis, in that they have been localised and directed against enterprise management or local authorities, rather than at central government, and that they have been initiated not by the official unions, but by Strike Committees.<sup>7</sup>

The implication is that in the short-run the workers will look neither to the official trade unions, nor to the liberal-democratic leadership of the independent workers' movement, but to an individual leadership which emerges at enterprise level, comprising people whom the workers know and trust on the basis of their past activities and past reputation. Precisely what form the wider organisation of the working class takes remains to be seen.

It is possible that the Workers' Committees and independent trade unions will detach themselves from their political affiliations and identify themselves with the aspirations of the rank and file, providing the basis for a renewal of the workers' movement, but this is not likely to be achieved without divisions and internal conflict. Alternatively, they may attempt to use their political leverage to displace the official unions by administrative or legal means. We can see both these processes in play in the miners' movement. On the one hand, the Kuzbass miners' committee headed off a general strike call at the end of December 1991, but with a growing number of mines calling for strikes it pressed increasingly militant demands against the government, and declared a pre-strike situation in the middle of January. On the other hand, the Yeltsin government in January

## The 64 Ruble Question: WHAT WILL RUSSIA'S WORKERS DO NEXT

*The article with this title appeared in Against The Current May '93. The author tries to examine the probability of a social explosion in Russia by pointing out some features of Russian society. We reproduce some of its points, leaving out the speculations about the future and some other aspects of the article.*

First and most important, the effects of the still-incipient free markets on Russian workers has been explosive and all bad. The number and depth of the ills produced by the market, and the speed at which they have developed, have also come as a great shock to most workers. At this moment massive unemployment, material privation and worse are just around the corner as large sections of the Russian economy grind slowly to a halt... Add to this a rampant inflation and a drastic reduction in social benefits...

Third, standing around and watching large swaths of the existing means of production go to waste, as called for by market imperatives - when these machines could still produce many of the goods people want and provide the jobs they need - is becoming too much for many workers to bear, unaccustomed as they are to capitalist logic... the capitalist market and everything associated with it will be... discredited...

Fourth, because the market is still relatively new, it has not succeeded in mystifying social relations as thoroughly as it will in the years ahead. Among the social relations most in need of disguise are those that involve the emerging capitalist class. The workers are in no doubt over who these capitalists are - mainly black marketeers and former communist party bureaucrats - and how they got their wealth. The workers used to detest and fear these people; the fear is gone but the hatred is greater.

Fifth, without the time for market mystifications to work its full effect, the newly introduced democratic processes are not enough to delude workers into believing that they have freely chosen the market mechanisms which are despoiling them. Neither the market economy nor its corresponding political forms possess the legitimacy they do in western countries...

Seventh, another advantage is that there is no mass social democratic party, as exists in western countries and even parts of eastern Europe, to compromise, delay and defuse the anger that is growing.

Ninth, none of the main demands (of the unions) regarding jobsecurity, minimum wage, welfare, work conditions and the like can be met under current conditions...

Twelfth, the character of the Russian working class is also of consequence here. From all accounts the workers still possess a strong sense of class solidarity, with an accompanying egalitarian ethos that bridle at the gross inequalities emerging... They also view full employment and the whole range of social benefits, which they are in the process of losing, as essential rights.

Twelfth, the workers are also aware of their potential power, coming from their numbers, concentration in large cities, hands-on control of the means of production and ability to engage in large-scale coordinated activity...

Thirteenth, there are fewer major national, religious or ethnic differences of a kind that have had such divisive effects on the working class in other parts of the former Soviet Union and throughout eastern Europe...

Seventeenth, the repressive forces with which Russia's new rulers will need to defend themselves against a workers' uprising are also terribly divided... and demoralized...





recognised the Independent Miners Union as the representative of the miners, and negotiated an agreement on wage indexation and subsidisation of the mines with the IMU.

Whether the existing unions will be democratised under the impact of rank-and-file pressure remains to be seen, although the failure to democratise even the official Miners' Union and the structural dependence of the unions on management makes us sceptical of this outcome. This is particularly the case under the present union laws, which are pluralistic, so that any legally established union enjoys full union rights, while future laws are likely to advantage the independent against the official unions. In these circumstances there is no reason for activists to try to take over the official union, except to destroy it, unless it is to take over its patronage network and remake themselves in the old union's image.<sup>8</sup>

In our view the most likely path of development is a pluralistic one. In some enterprises the administration will take over the welfare and distribution functions of the official union, and the union will collapse. In others the official union will retain those functions, and will remain in existence, but as little more than a branch of the enterprise administration. The independent representation of workers' interests will not develop through the official unions, but on the basis of

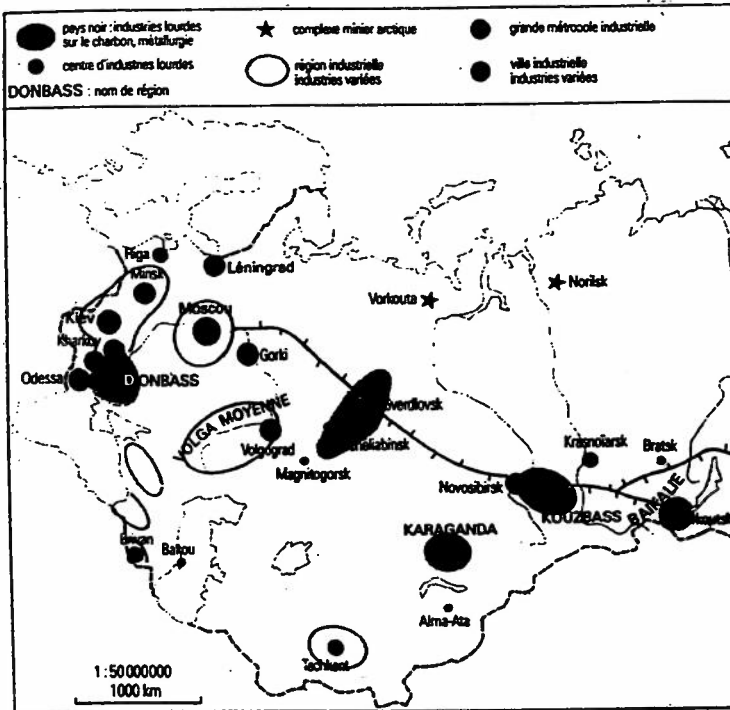
informal and unofficial workers-organisations which will be fragile and unstable, and will tend to be dominated by syndicalist ideologies, with aspirations towards self-management.

The fragmentation of the Russian working class means that the development of effective collective organisation will be a very difficult task. The discrediting of trade unionism, the lack of horizontal links between workers in different shops, let alone different enterprises, repressive managerial styles, backed by the official unions, make even the most elementary forms of organisation very difficult to achieve and maintain. In this context much depends on whether the independent workers' organisations will be able to establish a secure foundation by retaining and exploiting the very extensive legal rights which trade unions have enjoyed in the past. The basis for divisions within the working class in the transition to the market economy is clear to see, as women workers, concentrated in the lower grades of both manual and clerical work, look set to bear the brunt of the first waves of redundancy, while male and skilled workers support cuts in employment as the means of raising their own wages. Even under the most optimistic assumptions the development of effective workers' organisation will be a slow and long-drawn out process. The history of the workers' movement in Russia is only just beginning.



## Notes

1. Unpublished poll data provided by Eugene Mokov, Head of the Research Centre at the Trade Union Institute. This was a fall from 16% in 1988. The same poll showed that in 1988 almost 20%, but in 1989 only 8%, believed that the unions would defend workers against administrative violation of work rules; 33% in 1988, and only 19% in 1989 believed that the local trade union would defend their rights. Almost two-thirds believed that the local structure of the union was dependent on management, and one-third believed that the unions did not even have any real mechanism to defend workers' rights. 95% thought that some structural reorganisation of the unions was necessary, with 31% (1988) and 41% (1989) looking for radical reforms. Only 3% thought their trade union membership gave them an influence over management decisions. 89% would leave the unions if they failed to meet the workers' needs. A 1990 poll gave the trade unions a popularity rating of 5%.
2. The official unions are very anxious about the anticipated new Russian trade union legislation, which is being drafted by the neo-liberal leaders of some of the independent unions. The latter hope to undermine the patronage of the official unions by transferring their welfare, social insurance and distribution functions to enterprise administration and/or state bodies.
3. We know of two enterprises in which the administration has taken over the welfare and distribution functions. In one the union has simply disappeared, in the other it has been reduced to an empty shell.
4. In our interviews we have found that workers react with incredulity to the suggestion that the official union could be anything other than subordinate to the administration.
5. This includes setting up 'Strike Committees' under union-administration control.
6. Soviet trade union legislation was pluralistic, since it never anticipated that there would be competing unions. This means that any group can register as a trade union and enjoy full union rights and protection.
7. The strikes of teachers and medical workers in early 1992 tended to be initiated by informal organisation, and then backed by the official unions for political reasons, and often by local administration, which wanted to get money from Moscow.
8. Although we have encountered a handful of radical individuals still working within the official union structures, we have found only one Workers' Committee which has any aspiration to capture the union apparatus. The primary organisation of the IMU mirrors that of the official unions, down to its preoccupation with distribution.



been falling steadily, while the money supply increased 42 times in '92 alone. 'It would not be an exaggeration to call the situation catastrophic,' said an economist from the Institute of Economy. 'Those who call it a crisis are dangerous optimists.' (IHT 16.06)

The Donbass miners downed tools last week to protest against the continuous price increases, falling living standards and what they see as central direction from Kiev. Monday the strike had spread to over 200 mines and 100 factories... It is

overnight political promotion and the strikes are strong; the normally quiescent Zasiadko mine, where Zvehilsky used to be the director, was the first to take to the picket lines. Moreover, one of the strike leaders is Zvehilsky's top political aide. (FT 15.06)

Last week a wave of strikes swept through the giant Donbass coal region. The strike has spread to the Kharkov region in eastern Ukraine, a bastion of heavy industry and an estimated half million workers, many of them ethnic Russians, shut down mines and factories in a protest against a new surge in prices. In a repetition of a miners' strike during the final years of the Soviet era, the strike leaders have issued political and economic demands, calling for Mr. Kravchuk's resignation, new parliamentary elections and greater independence. By any indication, the economy is in bad shape and getting worse. Production has

telling for the situation that no mines or factories in the western parts of the country has followed the Donbass area. Western Ukraine, first included in the Soviet Union in 1939, is a bastion of Ukrainian language and Ukrainian nationalism. (Aft 16.06)

In Donbass more than 200 mines and 300 industrial enterprises and factories have been on strike for more than a week. (Aft 17.06)

Coal miners in Ukraine yesterday ended the strike which has lasted for 12 days. But they say that they will continue the strike if elections are not called next year... However, some workers refused to go back to work because they don't trust the governments' promises. (Aft 20.06)

The will of the regions to independence has become a new and unexpected problem for Russia's president before the last session of the constituent assembly which starts today. It started

with Sverdlovsk - now Jekaterinburg and hometown of Yeltsin - declaring itself as the 'Urals republic' and demanding a new status. This set off a chain reaction: Before the weekend Primordje surrounding Vladivostok in the Far East as well as Vologodsk in Northern Russia followed with declarations of their own republics. In Arkhangelsk and Tsjeljabinsk similar plans are considered. The newspaper *Nesavisimaja Gasseta* writes about 'a period where half Russia is falling apart.' (Aft 12.07)

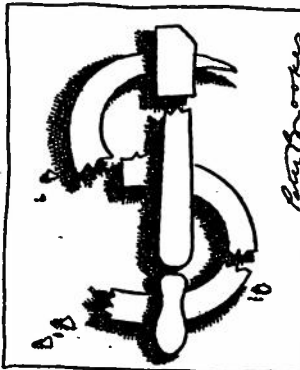
The shock declaration by the central bank yesterday to withdraw all bank notes issued before 1993, led to almost panic many places as people tried to get rid of bundles of worthless roubles. The central bank which fights to stabilise a currency and an economy pressed by hyperinflation, said that the notes will be withdrawn from circulation tomorrow... The amount of roubles in circulation has risen enormously the past year due to inflation, which has been at an annual rate of 2500 %. Lately inflation has been down to 17 % each month, but on Friday the Russian parliament passed a budget with a deficit of 25 % of the Gross Domestic Product. Experts think that this will make inflation rise markedly again. (Aft 25.07)

The real reason for their 'act of piracy', in the words of the evening paper *Wetschernjaja Moskwa*, the central bank didn't give: they want to withdraw from the ordinary citizens the counter-

value of the roubles printed in the first half of the year (in April alone 719 billion) which on the instigation of the powerful director lobby mainly has been given to the ailing state enterprises... Yeltsin prolonged the exchange time to three weeks and raised the amount to 100000 roubles. Whoever have saved more, for a simple domestic car for instance, for a refrigerator or even only for the burial (500000 roubles), can not use the savings for half a year. And even more hurting: The forced savings will diminish in spite of 120 % annual interest in the bank, with the present inflation of 1000 %, by approximately 3/4 of its real value. (DS 31/93)

More than 300 oil workers held a 1-day strike over late wage payments at Tengizchevroil, the US-Kazakhstan joint venture, last week. The oil workers are among 2000 Hungarians employed by Vegygepszter, a Hungarian state-owned labor hire agency. Chevroil management responded to the strike by threatening to cancel its contract with Vegygepszter. Hungarian oil workers said they would renew the action if not paid within 7 days. (IWB 16.08)

Panic has reigned the latest days at the currency exchange in Kiev capital of Ukraine. In a short time the country's currency, *karbovanets*, has fallen to a fraction of its former value... 19000 karbovanets must the Ukrainians now pay if they wish to buy one US dollar. Only three months ago it was 3000. That means that the value of the



Ukrainian currency has fallen with over 600 % during this summer... Much is said about conditions in Ukraine today when Russian roubles do well in relation to the Ukrainian currency. Early this summer one rouble was equal



to three karbovanets in the banks in Kiev. Today a Russian tourist receives 15 karbovanets for each rouble. In other words; Russians can these days travel to Kiev and feel to be in possession of a hard and stable currency... Early this summer foreign economic experts predicted that Ukraine hardly could avoid hyperinflation... Estimates shows that the rise in price levels from May to June was 46 %. From Nov. '92 to June '93 prices rose with almost 800 %. (Aft 24.08)

Ukrainian nationalist leaders says that they base themselves on foreign experts when they paint the situation in the country in dark colours. *'If you look at the estimates of American institutes, they are very clear in their judgements of Ukraine: We are the state in the former Soviet block with the highest deficit in the budgets, namely 47 % of gross domestic product. This is more than even war thorn Georgia. We are the state in Eastern Europe with the highest inflation: 1600 %. But worse of all is that the west records that Ukraine is the state in Eastern Europe with most internal tensions second to former Yugoslavia. Nobody dares to invest here as long as the situation remains like that.'* (Aft 11.09)

Ukraine is in possession of more than enough coal of its own, but mining is the most expensive in the former USSR. In the Donbas area in Eastern Ukraine so little coal is produced as during the big miners' strike in June. (DS 38/93)

In the west almost completely eradicated, diphtheria has returned to Eastern Europe as a mortal disease. In Russia alone 4000 cases with more than 150 deaths have been registered in the 7 first months of '93. In the former USSR the rate of cases of diphtheria was 0.2 per thousand of the population, now in Moscow and St. Petersburg it has gone up to 17 per thousand. (DS 38/93)



We will not spend much space on the events in Russia in September '93. The events as such should be well known everywhere. We will only supply a few quotes to show that this was something most people did not take part in.

...was the attendance at the demonstration in support of Yeltsin little to boast of. Most likely less than 20000 people took part. This is only one third of the number of demonstrators in March, last time Yeltsin's supporters mobilised in the streets. (Aft 27.09)

While the tanks thundered up Kutusovskij boulevard and exchange of fire went on without stop, people went to work as if nothing had happened. (Aft 04.10)

Even though the price index for consumer goods have risen five times, the purchasing power

of the masses have not been diminished. According to the government centre for economic research the real wages rose with 13 %... Three German economic research institutes published an expert evidence in October. Their calculations: In the first half of 1993 the price index for consumer goods was 760 % higher than the year before, but the wages had risen with more: 835 %. Retail trade has in this year sold 10 % more merchandise, and against all expectation the average wages in September rose to 65000 Rubles, according to the exchange rate (saying nothing about the buying power locally) about 85 DM. Transportation and building workers earn much more, over 100000 rubles monthly, factory workers three quarters of it, bureaucrats two thirds and teachers one third. This slope is wanted in order to keep the proletariat quiet. Among the losers are first of all the pensioners; every third Russian lives still below the poverty line. But this is not the social and economical collapse of Russia. The Deutsche Institut für Wirtschaftsforschung, the Kieler Institut für Weltwirtschaft and the Hallenser Institut für Wirtschaftsforschung found even more promising things. The fall in the industrial production (of 16,5 %) has slowed down. Most factories were kept in operation, electricity production and food production stayed relatively stable. Falling more than the average (with one third) was military production. That might change soon: the military, which saved Yeltsin from the coup makers, demand their price - a rise in military procurements with 50 %. Investments which fell with 45 % last year, fell until the end of July with another 6 %. (DS 45/93)

Yeltsin did the right thing, is the opinion of an almost unanimous world, but not the Swedish eastern states expert Stefan Hedlund, professor at Uppsala University. *'Yeltsin has lost everything. Now it is finished with democracy, with market economy, and with constitutional state reforms in Russia. This is the most serious crisis in Europe since September 1939. Many people have died and many more might die. Now*

*the military will take over Russian foreign policy. It will be an end to all western oriented nonsense in Moscow,'* he says. Does it exist anything which speaks against your interpretation? *'Yes, romance, being crazy about Russia, blindness...'* But the fact that Yeltsin receives such a compact



international support, doesn't that force him to continue the reform work? *'I am inclined to say that this is the biggest burden just now. If you are a great russian chauvinist, you hate everyone who receives support from the west.'* What does this lead to? *'Either that the military restore all of the Russian empire, as a military dictatorship in old Russian style as often in history, or we will have a big Russian civil war, which in its extension leads to a war between Russia and the Ukraine.'* You paint a black picture? *'Yes, but what usually happens when you tear up the constitution, shoot the parliament to pieces, kill the MP's, have tanks driving around in the streets.'* Does Russia run the risk of becoming a new Yougoslavia? *'Yes, the danger is imminent. The disintegration is already going on in large parts of the former Union's territory, not in the central parts of Russia yet, but it can spread....'* But Yeltsin promised free elections? *'What is that worth? He had promised not to attack the parliament also. The promises of that man are worthless.'* Did he

have any alternatives? 'Yes, he might just have left it untouched; what difference would that have made?' Is yesterday's action Yeltsin's own decision? 'Nobody can know, and most likely we will never know... Completely clear is that this Monday is one of the most important days in the history of Russia, it is this day when Russia's latest attempt to be integrated in the western world ended, it was drowned in blood.' You don't leave any possibilities for other interpretations? 'These are my conclusions.' Of course you are criticised by others with another, more optimistic view? 'Sure, I'm used to that. It was the same two years ago when I said that the Soviet Union had reached its end. I was named a doomsday prophet for months. But the Soviet Union was finish, and now Russia has reached its end, if it does not rise as a Russian empire in military gowns. I will leave that question completely open. There exists two tendencies exercising enormous force in two different directions: the political end economical disintegration of the Russian federation in one direction and the military's ambition to re-establish the Russian empire in the other. The question now is what the local mafia bosses and military leaders will choose, what will be rational from their point of view.' Is the economy the single most important factor in Russia today? 'Yes, this does not imply that all the material problems disappears, illness, misery, poverty, sufferings. Some day the bankruptcies will also appear, and then some 10-20-30 million people will be unemployed.' But doesn't the western countries feel an obligation to counteract such a development? 'Yes, but that is completely irrelevant. Those who are now in power in Moscow will not have anything to do with the west. Yeltsin himself is irrelevant. He has sold his soul to the military... If he is allowed to remain as president or dictator then it is with the good will of the military. It is now, when these circles shall receive their dues, that we will see more of Georgia, Abchasia, Tadjikistan. Either the disintegration continues with accelerating speed,

then there is the risk that the military will end up in a war with itself in many places. Or the military pulls itself together and try to hold everything together, then the disintegration will stop. Then it might even be an end to mafia and crime. It is only that there are not many who would like to live in a state where the military has beaten the mafia. It's likely to be as going from the ashes and into the fire.' (GP 05.10)



More than 30000 coal miners staged a 1 day strike Nov.11, completely halting production in the Vorkuta region. (IW Jan.94)

Throughout this autumn the dollar has been noted to somewhere between 1000 and 1200 roubles, and that in spite of an inflation running at high speed. In reality this means that the dollar's value at the Russian market each month has been reduced with between 10 and 25 %... One of the reasons why the rouble can soon be counted among the hard currencies, is that the Russian government has thrown out dollars at the local exchange markets... But the main reason is to be found somewhere else: To stimulate Russian banks in buying roubles instead of dollars, the interest on loans has been increased to 17,5 % pr. month. The interest on deposits has followed in the same direction, with the result that suddenly it is profitable to put roubles in the bank. Thus the demand for roubles has gone up. Instead of being thrown out on the exchange markets, the roubles have been put in the bank. (Aft 15.11)

'The economy of Ukraine is in deep collapse,' says economy minister Shpek. Inflation is running about 70% a month. Fuel is so scarce that many factories and even buses in some regions no longer run. Investment is at a standstill. Foreign reserves, says a central bank official, are negligible. Free-market reform is caught in political gridlock. Living standards have plunged 50% since '91. Ukraine's chief foreign business venture consists of dickering with the west over how many billions of dollars it can get in return

for dismantling its nuclear missiles. (Wall Str. Journal Europe 15.11)

*'There are about 20 million people without work in Russia. The official statistics with 700000 unemployed is not reliable'* the Russian vice minister for work said yesterday. He gave the information in an interview with the German weekly 'Die Woche'. *'According to my informations 21 % of all Russian enterprises are unprofitable. After the states of the former Soviet Union broke off their economical relations, raw*

join, but made it clear that if the strikers' demands were not met, gas supplies to central Russia would be shut off. In the city of Nadim the strike committee took over many functions of the local administration. Detachments of unionists guarded important installations and helped police patrol the streets. Improbable in this hard-drinking region, a ban on alcohol sales was imposed and made to stick. Every day pickets assembled outside the mayor's office. On Nov.27 as many as a third of the city's population of 50000 gathered



*materials and other supplies have become scarce. Therefore we have been forced to close many factories.'* (Aft 18.11)

In the Nadym region of north-western Siberia, a 9-day strike by workers in the natural gas industry ended Dec.1 when the state-owned gas firm Gazprom agreed to demands including prompt payment of wages arrears dating back as much as 6 months. Management also promised to resettle workers in south central Russia. (IW 1/94)

On Nov.22 workers in 44 Nadym enterprises, mostly in construction and transport, went on indefinite strike. After a week 72 enterprises and a total number of 25000 workers were on strike. Gas well and pipeline maintenance workers didn't

in arctic temperatures to support the strikers' demands. After negotiations resumed Nov.30 the government quickly conceded every point of the demands. Money would be made available within 3 days for unpaid wages, which also would be

indexed for inflation. Within 10 days further sums would be forwarded to cover debts to contracting organizations. Thousands of apartments would be built in central Russia to house former gas workers. On Dec.2 the Nadym city strike committee voted to return to work. The progovernment *Izvestiya* was left to lament: "There is a danger that this precedent of unconditionally satisfying all demands that might inspire neighbouring regions to take similar measures." (IW 1/94)

The central economical figures for Russia tells with all clarity that the difficult times are not yet over, the Norwegian Exports council reports. During the first three quarters of the year gross production fell with 11,1 % compared to the

preceeding year, while industrial production fell with 17,1 %, oil production 14,7 % and investments 10 %. (Aft 23.11)

At the same time danger comes from the strike-willing miners in the coal area Donetsk. In 40 mines the production falls again and again due to strikes. The miners demand more money for the coal from the customers, the Ukrainian steel mills and power stations. The government price of 137000 coupons a ton hardly covers the wage costs. Energy intensive industrial plants have already stopped production. The public transport in the countryside has already broken down. In Dnjepropetrowsk angry people who had waited for the bus to work for hours beat up the drivers. Whole living quarters have not been heated for days... Ukraine slides deeper and deeper into the crisis. The social product will fall with a fifth this year, foreign trade is falling fast, investments are hardly done at all. (DS 48/93)

The flash-point will probably be in the far north. Coal miners employed in the 13 pits around Vorkuta in the Arctic circle have not received pay for the past two months... Vorkuta is scarcely fit for human habitation. Housing is so limited that some miners' families have to live in the barracks originally built there for slave labour prisoners in the '30: *'You can skate on their kitchen floors,'* complains Mr. Pobov. Worse, some 30000 pensioned-off miners are now marooned in Vorkuta: inflation has destroyed their savings and their dreams of retiring to more clement parts of Russia. Russia still has the third biggest coal industry in the world (after America and China). However, its output peaked at 417m tonnes in '88. Since then it has fallen to 325m tonnes in '92. It is likely to fall further. Thanks to the collapse of Russia's industrial output and to switching from coal to cheaper natural gas, domestic demand for coal in 2000 may be barely over half of its 1990 level. Such dismal economic realities do not appear to have impressed the bureaucrats in Moscow. Rather than closing down the money-losing pits, they have chosen to cut production at all Russia's 300-odd pits.

The workforce employed in the industry has actually increased, to just under 800000. Subsidies have increased from the equivalent of 29 cents for every tonne mined in '91 to \$5,66 a tonne now. So far this year the government has handed over \$1,7 billion (or just under 2% of Russia's GDP) of subsidies to the coal industry... A sensible policy might start by closing the 125 pits that employ almost half of Russia's coal miners, but produce only 20% of its coal. The ministry of fuel and energy has drawn up tentative plans to close 42 pits, which between them produce just 3% of Russia's coal. But there is little political will to implement even this modest plan. At Khalmeryu, 70km north of Vorkuta (which makes it the most northerly coal mine in the world), each miner produces a mere 14,5 tonnes of coal a year. The pit clearly has no future, but nobody has the nerve to tell the town's 4500 inhabitants... The miners' prominence has irked workers in Russia's oil and gas industries. Their pay is also in arrears, for similar reasons. Oil unions in Surgut are threatening to strike. Some 18000 gas workers in the west Siberian town of Nadym are already on strike. They are threatening to cut a pipeline through which 200m cubic metres of natural gas flow each day to Western Europe. That is more than Germany's daily consumption. (The Economist 04.12)

Russian coalminers last night called off a strike which had threatened to undermine president Yeltsin's election campaign in the last days before the poll. Interfax news agency said that union leaders from the Arctic coal basin of Vorkuta had signed a peace deal with the government and had agreed to resume work today. Earlier yesterday the strike had spread across three regions when the 30000 Vorkuta miners were joined by thousands of workers in the Urals and in northern Siberia. The Independent Miners' Union called out its members to protest against non-payment of wages and over a range of other complaints. Strikers also demanded a government reshuffle by Yeltsin, who faces parliamentary elections on Dec. 12 and has



traditionally enjoyed strong support among miners. Ahead of last night's peace deal, miners in the main Russian coalfield of the Kuzbass were considering joining the strike today, according to Mamedov, deputy president of the Independent Miners' Union. The strikers, who had produced a list of 25 demands, were most aggrieved over long delays in wages payments and in the rapidly worsening situation in the coalfields - as rail tariffs for coal carriage soar, increasing the indebtedness of the pits and the insecurity of the miners. The government recently proposed a programme of closures of more than 40 pits nationwide, including 4 of the 13 in Vorkuta, an area almost wholly dependent on the mines. (FT 07.12)

The union boss finds time for a talk with Aftenposten between lots of meetings and telephone conversations. The mood is tense in Vorkuta. The miners have given the government an ultimatum within the next few days to meet their demands. If the demands are not met, Vorkuta and the other coal mining districts will go on all out strike. That might cripple the life nerve of the Russian economy. If deliveries of coal stops, thousands of Russian enterprises will have to close... In the two years since the breaking up of the USSR the miners have expected their conditions to improve. But instead of improvements, conditions have deteriorated. In Dec. '93 the status is that the government is billions of roubles in arrears with wage payments. Inflation undermines their living standards. Many of the benefits that in spite of everything did exist in the USSR, like cheap air fares and holidays in the south, are about to be lost... For the toil in the mines, Subol (miner in Vorkuta) earns 300000 roubles a month, which is about 250 US dollars. On this wage he shall support wife and 3 children. Most workers in the former Soviet Union procure some food besides their work and can thus augment their meagre wages. During the summer tens of millions of Russians are busily occupied with growing potatoes and vegetables on their small lots outside of the big towns. In Vorkuta the

situation is different: *'Here in the North we have only our wages to live on. Even potatoes will not mature during the short Arctic summer. Only the top layer of the Tundra will thaw in June-July, and nothing can be grown there. Prices in the stores are also much higher here than elsewhere in Russia because the goods must be hauled thousands of kilometres. The result is that we eat everything we earn'*, he says. (Aft 09.12)

The past month there has been many large strikes among miners and others. More are to come. Just now a strike is going on at a nickel kombinat in Norilok. Dissatisfaction is huge." (Internationalen 17.12)

A bellwether for the possibility of mass social struggles in the coming period is the recent strike in the Vorkuta coal fields, long a bastion of support for Yeltsin. The Independent Union of Miners (NPG), which was formed with the aid of US imperialism via the AFL-CIO bureaucracy, opposed a one-day strike in early September of 500000 workers organized in the ex-Stalinist miners union. The NPG also backed Yeltsin's dissolution of parliament later that month. But with over two months of unpaid wages, the Vorkuta NPG leaders organized a hunger strike in November, culminating in a one-day walkout on Nov. 11. On Dec. 6, they struck again for five days, calling off the walkout on the eve of the elections only after Moscow promised yet again to pay up. But the relatively privileged miners still face massive pit closures if Yeltsin/Gaidar have their way. Another strike over back payment of wages by gas industry workers in the Siberian city of Nadym virtually shut down the area before ending in victory in early December. Even the pro-Yeltsin 'Izvestia' (Dec.3) reported: *'Economic demands receded into the background, while people were urged constantly to vote against the government and to boycott the referendum on the constitution.'* Thousands of angry strikers surrounded the government's negotiators when they arrived at the airport, and picket signs read: *'The thieving government should resign!'* (WV 17.12)

## HOW THE RECOMPOSITION OF THE RULING CLASS TAKES PLACE

Like everywhere, the class of proprietors consists of those who possess a possibility to appropriate the collective product in its favour, because it controls the process of production and distribution:

- State functionaries, the nomenklatura (coming largely from the apparatus of the ex-communist party) and leaders (and even labourers) of trades connected with criminal structures. They form a group linked to commercial capital. Their typical ideology is monetarism, considering money as the principal form of wealth.

- The group of industrial authorities which is in control of the production of manufactured products (but doesn't possess them); they may have the possibility to redistribute it in its own favour, on condition that the property of the means of production is allotted to it legislatively. Recently they made up a group of industrial capital representatives. The ideology of these industrial russians is mercantilism, considering commodity as a source of wealth but not wealth itself.

In the process of the restructuring of the soviet economy, these two elements of the ruling class represent contradictory interests, which are behind the political conflicts without that one knows clearly who represents who.

The principal interest of commercial capital is the accumulation of monetary wealth, somewhat similar to initial accumulation of capital in the developed countries. This situation determines the character of the ongoing process of privatisation: the new proprietors, not in a hurry to integrate itself into the production process, prefer to use the property it has acquired as a source of immediate profit.

The layer of industrial leaders (in general old managers of the stalinist regime) are first of all interested in the preservation of the means of production, because as a layer of the ruling class

it only exists as far as the production functions. Their second interest, which is also important, is to preserve their administrative function by becoming independents, i.e. to become proprietors and by that receiving their part in the sharing out of state property. The interests of these directors are somewhat contradictory: the best way to appropriate capital is to have it driven into the worst possible conditions of operation in order to be able to buy it at a low price.

The class of salarised workers possess neither any authoritative functions nor any means of control over production or distribution. Consequently they have no possibility to influence the process of redistribution taking place of the ownership of the means of production.

In the distribution process, the old or new unions act as representatives of the salarised workers, but they represent themselves a hierarchial administrative structure. Their actions as representatives of the workers aims on one hand at strengthening their role in production and on the other hand to maintain the production apparatus as a means to safeguard the employment. As a structure whose character is largely inherited from its totalitarian predecessors, in their actions they also aim at their own preservation and to maintain their influence.

To achieve without too much delay this recomposition of the ruling class, a trilateral commission was formed in 1992 and which Igor Klotchkov, president of FNPR, defines as follows: *'an experiment in social partnership... where the three components of the market: labour/ union representatives, business and government cooperate, agree to rules of play on the labour market, the price of manpower and other matters... The system allows us to solve difficult questions without having to resort to a strike or other serious means'*. (Russian Labour Review no.2, p.15)

One can see that, parallel to the recomposition of the ruling class, the structures of domination and mediation in the process of exploitation of labour are also established. The fact that the old

'totalitarian union' was able, despite the economic and political upheavels, to remain the dominant union, well experienced in the function as an intermediary for establishing the price of the labourforce, shows very well that there has only been a transformation in the form of capitalist exploitation.

(To a large extent based on material in *Russian Labour Review* no.1 and 2 and *Industrial Worker* May 93.)

### SOME EXAMPLES

The establishment of a new capitalist class makes one think about the conquest of the Far West. 7. December '93 all the 2000 commercial banks in Russia were closed for a day to protest against the murder of Ligatchev, president of the Rosselkhozbank. This murder revealed the fierce war in the milieu, mentioned above, of the layer

#### Yeltsin's men admit bank raid

Russian President Boris Yeltsin's security service admitted responsibility yesterday for a raid on a Russian bank. On Friday about 35 masked gunmen blocked off Most Bank's headquarters, next door to Russia's White House. A spokeswoman for the service said the forces were sent to investigate reports of heavily-armed men in a car belonging to Mr Vladimir Gusinsky, president of Most Bank. The security service gunmen barred entry to the building and searched cars belonging to the bank. Six drivers and security guards from Most Bank were detained, but later released. Mr Gusinsky said he would take legal action against the security service for "overstepping the bounds of power". *Moscow, AP*

Financial Times 06.12.94

of owners which had or have taken leading positions in the distribution sector and which first of all seek "to make money" as quickly as possible. In 1993 twelve other bankers were assassinated in the same way: this arises from organised gangs or the competition between businessmen or bank clients who in this find an easy way to wipe off their debts (for 6000 dollars one can find a killer - that is cheaper than paying a loan of millions of rubles). This is first and foremost the consequence of a system in which not only the state has no authority, but in which it doesn't yet exist the legislation permitting the regulation of the banking structures and relations. Some of the banks are even facades for gangs



involved in all kinds of 'work' and for which all 'procedures' are 'allowed'. Some of the banks keep veritable private armies with dozens of lifeguards protecting the leaders. This is how the new legal structures of the new version of capitalism is formed.

\* SRK - The Council of Workers Committees of the Kuzbass - was founded in '89 on the basis of the Kuzbass miners' strike committees (whose movement, together with others, contributed to the fall of Gorbachev) and strives for close cooperation with Russian authorities. Together with the the American union AFL-CIO and American coal companies, the SRK leadership started working out plans for an international conglomerate - Kuzbass Coal - to exploit the coal and the Russian miners.

\* The 17 February '93 a strike of the 1900 miners of the the most profitable mine in Russia, the Vorkashorskaya mine in Vorkuta in the north of Russia, ended. It had started in December '92 due to delays in the payment of wages, and the strikers also demanded that the director of the mine should be elected by the workers. They propose the chairman of the NPG union cell at the mine, who is arrested 12. February. 15. February the mine is occupied by 350 workers. The occupation ends when the union chairman is released two days after, and 19. February he is elected director of the mine. The struggle was centered on the question of the privatisation: participation in the control and sharing of the profits of the sale of coal. In other words a sort of selfmanagement. But, considering that the union NPG is pro-governmental, that the actual bosses of the mines certainly are ex-bureaucrats, it is difficult to say what is hidden behind this "taking over of control" by a union leader and if the miners won't be tricked in this story.

\*The metallurgical combines in Chelyabinsk, providing 70% of Russia's special-purpose steel, show how privatisation has given the nomenklature an opportunity to turn themselves into capitalists. Behind the backs of the workers 86 managers of the enterprise formed a joint

stock company and to buy the enterprise it obtained an interest-free loan of 1,8 billion rubles, to be paid back in steel. The managers gained the right to purchase shares worth 15 million rubles each whereas a worker could only get shares worth 50000 rubles. With the involvement of union leaders these managers have grabbed everything and become capitalist owners. 12. February '93, 600 workers and technicians met and called for the establishment of a strike committee struggling against this appropriation which was discovered by accident, declaring that "this affair has exposed the savage greed of the trade union and the nomenklatura..." What can they do against this (in the words of the workers) "union and economic mafia" which was careful to have legality on its side and which in order to have it respected surely have the 'public force' at its disposition. We don't know the end of this story.



# TRADE UNION MOVEMENT IN RUSSIA. THE YEAR'S RESULTS

By Boris Kravchenko

Boris Kravchenko is an editor of the Labour Information Centre "KAS-KOR".

The period after August 1991 didn't produce changes in the position of forces. The contradictions between the old, so called "official" unions and structures, which appeared after the mass miners' strikes of 1989, still exist, just at a new level. The old unions became the only old structure that is still alive after the fall of totalitarianism on the territory of the ex-Soviet Union. Although it was expected, a mass exit from the old Soviet trade unions didn't occur. Their leaders, having disassociated themselves from the coup, managed to keep the innumerable properties of the old trade unions formed by the subscription payments of many generations of Soviet people. Strong and well paid staffs were preserved as well as a Fund of Social insurance.

The clash between leaders of the Federation of Independent Trade Unions of Russia (FNPR) and those of several regional organisations who came out from old middle class unions became less hostile at the end of the year. Encountering with the real problems of labour groups, knowing very well their attitude to the countrywide processes they had to behave themselves much more radically than their central leaders. The fact that some organisations from the FNPR refused to transfer money to the Federation centre is a good example of this.

Nowadays the leader of the "inner-opposition", the Moscow Federation of Trade Unions (MFP) has its own social security program, and is trying to make up their own attitude to the consequences of the Yeltsin-Gaidar program. We can find to their credit such actions as support for the medical and teachers' strikes in the spring of 1992, support for jobs in the military production sphere which is now in a deep crisis because of the conversion. It helped also to hold several meetings and demonstrations. The two faced policy of the FNPR didn't allow it to organise that activity on the scale of the whole country.

Nevertheless, the attempts of the MFP to cause a split were not successful. At the spring plenary meeting of the FNPR, they proposed the creation of a new union center based on regional centers but the idea was turned down because the majority of the organizations there didn't support it. In the fall the MFP discussed the transferring of all social benefit funds to the government. The Soviet trade unions had always held these funds since their creation. In times of economic instability these funds were sometimes used by the staff of the old trade unions for commercial purposes, (these facts have been published) and with the help of these funds they

were able to receive certain privileges. Control of these funds gave the MFP certain advantages over other unions from the onset. At the end of the summer Yeltsin signed a decree making a government commission in charge of all social benefits funds. It was decided that these funds would remain in the possession of the MFP until the law went into effect. This decision caused protest from the leader of another trade union organization, Sergel Khramov. Khramov made threats to the government that he would call a strike if the president's decree was not carried out. The matter of the money was one of the reasons why the MFP held a "day of unity" for the unions in the fall of 1992.

The Federation of Independent Trade Unions' collective action coordinating committee called for working collectives to take to the streets on October 24, hold demonstrations, and demand that the Russian government and the local authorities steer the course of economic reforms more towards the favour of the workers. The official figures on this action can be taken optimistically. Actions took place in 56 out of the 60 administrative centers of the Russian Federation. Rallies were held not only in the administrative centers, but also in small towns.

More than 50,000 people signed a petition with these demands. More than 200 telegrams were sent to the government demanding a change in the course of reforms.

However, 7 out of 38 branch unions didn't support the MFP's actions. The Union of Miners and Metallurgic Workers decided to leave the federation all together at their plenary meeting which took place after the offensive. Its leadership issued a declaration along with a number of other unions. The views expressed in this declaration differ a great deal from those of the MFP. We may see the appearance of new trade union associations from these unions in the near future.

The participation of less than 10% of the federation's current members can be explained as part of a general apathy among the people who are not used to fighting for their rights in connection with the old trade unions. It can also be partly explained by the contradictions within the MFP itself. We won't go into all the details of this, but we should bring it to your attention that the signatures of the very same trade unions experts which appear on union documents calling for a dialogue with the government also, appear on the appeal of the All-Russia Workers Conference, which was

called by the communist parliamentary opposition in order to organize a general strike and put forward its political demands. (These organizing attempts failed.)

Such actions by the official unions make one think that they are trying to carve out their niche in society through trial and error. Experts attribute a fundamental change in the upper leadership of the MFP to the fact that in March 1993 there will be elections to the Federation Council. Then the MFP should finally define its relations with the official leaders (from the old party administration) and with entrepreneurial organizations and organizations opposing the policies of the president.

Official unions can no longer allow themselves to do only a minimal amount of work, as they had become accustomed to doing. The events of August 1991 fundamentally changed the relationship of trade unions to the authorities. The most last government of the Soviet Union, comprised mainly of upper party members, was concerned with the problem of saving the party and their own positions and left the unions to fend for themselves. Gorbachev's bunch reacted to the actions of these new structures only when it became impossible to ignore them.

Before August 1991 the Russian government, not having complete power yet but having a good sense of the political situation, tried to get in good with the independent workers movement. It is interesting, for example, that during the miners' strike, when they were demanding Gorbachev's dismissal, the Silayev government gave 47 million roubles to the Vorkuta strike committee and to the Independent Miners' Union (NPG). At that time, Yeltsin's authority was so great that he managed

to stop the strike in two days when an apparent crisis was at hand.

After August the NPG, the pilots' union and Sotsprof received positions close to the Russian government. They took part in the Trilateral commission's work (trade unions - employers - government) on the resolution of social conflicts. In this way they have pressed a lot of the positions of the FNPR. It happened on the first of October that Igor Klochkov, leader of the FNPR, was simply thrown out of a TV studio by the order of state secretary Gennady Burbulis. At that moment TV discussion between the government and the unions was being held. Such government's actions give many observers reason to speak about a government wish to have new "pocket" trade unions, just in the same way as the CPSU had VCSPS. This wish coincides with the aspiration of alternative structures to have official recognition. The position of the Council of Workers' Committees of Kuzbass (SRK) is interesting in this respect. It is the best organized new structure of our days. It originated on the base of strike committees and encompasses the biggest part of the Kuzbass region.

Today the Council of Workers' Committees of Kuzbass supports the government. This spring, in fact, the budget branch workers' strike was broken down by the SRK's propaganda. Besides that SRK is a force that tries to influence political developments in Russia. Since the beginning of the last year's autumn crisis between the government and the parliament Kuzbass came out categorically against convocation of the next Congress of People's Deputies and against depriving Yeltsin of his extraordinary powers. Members of SRK have their own project of creating an independent coal business concern, and sources to realise this

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## TRADE UNION MOVEMENT IN RUSSIA. THE YEAR'S RESULT

This article is translated from the first issue (1/93) of the journal *Russian Labour Review*. 'August 1991' referred to in the first sentence is the attempted *coup d'Etat* by ex-stalinists and forces of the army, which ended up with reassuring the domination of Yeltsin - and the elimination of Gorbachev, whose role in the events have remained obscure. Later on in the article when they write about "This spring, the strike of the budget branch workers' strike...", it is meant the spring of '93, and the article deals with the situation from autumn '91 to spring '93.

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project, therefore bureaucratic variant of privatisation wide-spread in Russia is not a danger for them.

In contrast to trade unions that have been already admitted, other new ones experience more difficulties in their attempts to counteract the undertakings of the administration and local authorities. Some workers aspire to defend themselves from the administration's variant of privatisation which infringes upon their interests. This explains their aspiration to get out from the old trade unions, but it is very difficult for the independent trade-unions to organize themselves, to hold the meetings, to elect co-ordinating bodies. In the past help came from Sotsprof. If a new trade union enters a regional department of Sotsprof it can invite lawyers to work in the region, open an account, begin official activities. Many organisations choose this way, because they have no alternative.

Sergey Khramov, the leader of Sotsprof, names fantastic figures, speaking of the size of his trade union. Many regional organizations do not agree with Khramov, who, they say, looks at the trade union movement from the government point of view. They try to act independently, remaining as members of Sotsprof. That's why the number of independent trade unions in Russia doesn't grow. Their membership has not grown much either. Alexander Sergeyev, the Chairman of the NPG of Russia, says that there are 60 thousand members now. This is only 10 thousand more than it was after the strike of 1989. The majority of working people in Russia don't connect the improvement of their financial state to the defence of their rights through the unions. The authority of both old and new trade union structures is still too weak.

Orthodox communists undertook desperate attempts to present the workers' movement as a base for their political demands for the revival of the Soviet Union, for the resignation of the liberals, for a revival of the stalinist CPSU. These attempts failed.

MFP leaders no longer address the workers exclusively at May Day demonstrations.



The attempt to organize "Labour Russia" and Russian Communist Workers' Party (RKRП) committees at enterprises had no success. No one can find new forces at the plants that support stalinist demands. Many people taking part in their actions do not share communist ideas, but have gone to extremes due to the government policy. Those thousands of people, who come out on to Moscow streets with red flags from time to time are not an organized force. They see the National Salvation Front (FNS) as a possible force which could relieve their life troubles. These people cannot be considered a part of the workers' movement, though there have been several meetings, and some declarations and appeals appeared.

Among other forces which are not in a hurry to part from communist ideals we have to note the trade union "Defence". Its creation was initiated by the Marxist Workers Party (MRP). Union leaders pay a lot of attention to social defence. They hope to get union support in future. "Defence" tries to communicate with non-government left organizations and independent trade unions. But we can't see any development of this union in the most recent period.

In general the problem of newcomers was one of the most serious for all trade unions. The most active and conscious part of workers have joined unions already. Alternative unions can count on them in their efforts to withstand strong authorities - "barracks socialism", which is the old unions' heritage. During the time that passed after the August coup people have realized the advantages of alternative trade-union movement and some leaders as well have felt pleasures of leadership positions. Many experts now fear the bureaucratization of the movement. But new active people with a trade union mentality can appear as the living standard progressively falls and new social conflicts arise. But not all of the new structures are ready to support the workers' activity. The PALS (independent pilots' union) leaders' behaviour is a good example of this. They were categorically against the strike of their colleagues, the air traffic controllers.

The air traffic controllers organized and kept this strike going almost alone and met with criminal prosecution. Other unions refused to be in confrontation with the government because of the consequences. Such tendencies in trade union movement don't cause optimism.

So, it can be concluded that unions begin the second year of reforms without a united trade union front which could be able to limit government's wish to cut down the social rights of workers in accordance with the International Monetary Fund's recommendations. Corporate interests, problems of property, the fight for the right to officially represent the labour movement, fear of initiatives from below - all of the old unions and the newly created ones share these problems. Getting over them and making a final turn from intrigues to real social defence in this time of deep crisis is the first task for the trade union and workers' movement.

# THE DONBASS STRIKE

By Vlad Tupikin

In June, 1993, there was a large scale miners strike in the Donetsk coal region which was rocked what was the second largest industrial power in the former USSR, the Ukraine.

The miners are the most rebellious workers in the CIS. The first big strikes of the Gorbachev era started in the coal industry in 1989. The miners formed new trade unions which counterbalanced the old pseudo-union structures which had existed since the 20s.

The miners had always been considered the core of the working class. They were comparatively well paid for their hard labour - better than in other industries and certainly better than agricultural workers or those in the service sector. To say that somebody earned "miners' wages" meant that they were well-off in the Soviet Union. When their wages were cut back at the start of Gorbachev's reforms, the miners would not stand for it. The history of Soviet society has shown that protest doesn't take place under the most strict regimes but when the terror of the authorities lessens and politics become more liberal.

Although miners strikes have shaken the economy of the USSR every year since 1989, the key problems with the coal industry have yet to be solved. They are still unsolved in the present day Ukraine. The working conditions at many mines are exactly the same as they were 60 years ago when they were built. The technology is out of date and there is a lot of work done by hand. The salary of a miner before the strike was 70,000 karbovantsy a month (or less than \$25, the same amount that a low paid intellectual worker would make in Moscow).

The Ukrainian parliament was so busy discussing the legitimacy of the Ukrainian government that they didn't pay any attention to the economic problems of the miners. When they withheld the wages of the miners while raising prices by 3-5 times, the Donetsk miners blew up.

## THE REASONS FOR THE STRIKE

Thirty years ago the government of the USSR decided that Donetsk coal was not an efficient fuel source and that there was no potential for the industry. Since then the investment in the industry has been lowered many times. They stopped building new mines and so the mines were left outmoded and unprofitable. There was also a switch from coal to oil and gas in most industry. Coal extraction has also fallen by a third and it doesn't exceed

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140 million tons a year. The price of coal has risen almost 500 times.

The miners reminded the government of their problems several times from 1989-93 by holding strikes; the Ukrainian government met all of their demands as Donbass coal is their only stable energy source. [Translator's note: There have been problems with obtaining gas and oil in the Ukraine as they were always dependent upon Russian supplies.] But wage increases brought no relief to the miners; every time salaries were raised in mining regions this merely led to a new spiral of inflation in the Ukraine. Aside from economic problems there are also problems of nationality; the majority of the population of the Donbass, just like in the rest of the eastern Ukraine, speak Russian and have hostile feelings about forced ukrainization. Already some politicians from the eastern Ukraine are making this a political issue. It is possibly for this reason that political demands surfaced at the beginning of the June strikes. They demanded a referendum be held asking whether people trust the parliament, government and the president of the Ukraine and on the economic independence of the Donetsk and other eastern Ukrainian regions. By declaring economic independence the miners would hope to change the unfair situation where 10-20 percent of the national budget is taken from the western Ukraine, while 80-90 is taken from the eastern. (Each "oblast" or region in the western Ukraine contributes from 0.8-1.7 billion karboNAVsty to the central budget while each eastern region generally contributes from 24-35 billion. In the Donetsk region this figure is about 88.7 billion karboNAVsty.)

A basic packet of demands was put together before the strike at a conference of representatives from the Donetsk coal industry which was held on May 28, 1993. The demands were:

- to hold a nationwide referendum on September 1, 1993 asking whether people have faith in the president and, the Ukrainian parliament;

- to guarantee the Donetsk region economic independence in the new Ukrainian constitution;

- to impose fines on banks which withhold funds starting from June 15, 1993;

- to maintain higher wages as compensation for hard labour;

- to index wages and prices on coal.

They wanted to start the strike no earlier than June 21, but the workers didn't want to wait that long.



## A STRIKE OF UNPRECEDENTED SCALE

The first miners to stop work and take to the streets on June 7 were the night shift workers from the Zaslavko mine. This mine is one of the most privileged mines in the coal basin; not long ago it received the right to sell coal for hard currency. The conditions for the workers at this mine were comparatively better than those at other mines in the region.

The strike began to snowball; on the first day 15 mines went on strike and on the second day 50. By the 11th of June, the fifth day of the strike, 226 of the 250 mines in the Ukraine had shut down as well as 27 mine construction firms, 8 coal works and more than 100 industrially related businesses throughout the Donetsk, Lugansk, Dniepropetrovsk and Kharkov regions. By June 17 this had grown to 228 mines, 40 mine construction firms, 16 coal works, the coal quarries of the Kirovograd region, as well as 123 related enterprises. On June 13 they calculated that each day of the strike was costing the Ukraine 2 billion roubles and the damage was increasing daily. At the end of the first week it became clear that the scale of the strike had surpassed that of the famous strikes of 1989.

Aside from these numbers, the strike differed from those of four years ago in another aspect: in 1989 a typical miner's family could make it through a month on their wages, and might even have a little left over, but in 1993 their wages were only enough to last a couple of days. The government took this into account when they decided to fulfill the economic demands of the miners as much as possible on June 10. It was obvious that the government did not want to aggravate the situation with the miners.

During the strike the former director of the Zaslavko mine and then mayor of Donetsk, Yefim Zviagilski, was named vice-premier of the Ukraine. The people of the region felt like he was one of their own. It was he who announced at a rally on June 12 in Donetsk that the government had decided to raise the salaries of miners to 400,000 karbovantsy a month, that the president signed a decree to lower miners' taxes by 10 percent and that a credit would be given to the

National Bank of the Ukraine to pay off the money owed to some mines. (Translator's note: For example, coal was purchased although the banks did not or could not let the purchasing enterprises withdraw enough money to cover their purchases. They bought on credit with the understanding that they would pay when the banks would pay out money. Donetsk coal alone is owed something like 50 billion roubles.) But this news didn't change the resolve of the strikers who believed that the economic problems of the Donbass region could only be solved through political means. "As long as the Supreme Soviet, the President and the Cabinet of Ministers don't respond to our political demands, we will continue to strike," Nikolai Volynko, the chairperson of the Donetsk Independent Miners' Union told a KAS-KOR correspondent.

After prolonged debate the Supreme Soviet of the Ukraine put off discussion of the miners' demands for an indeterminate period on June 15. In response, the interbranch Strike Committee decided at their June 16 meeting to press forward with their political demands. The miners announced that they would not discuss their political demands until a decision was made about the referendum. A commission to negotiate the rest of the demands could only be formed afterwards. It was the first time since the July 1989 strikes that teachers and doctors, metallurgists and builders, railway workers, students and veterans - in short, much of the population - supported the demands of the miners.

On June 17 the Supreme Soviet of the Ukraine gave in to the miners' ultimatum and announced that a referendum would be held on Sept. 26, 1993.

The co-chair of the Donetsk Workers' Strike Committee, Mikhail Krylov, commented that, "The decision of the Supreme Soviet to hold a referendum on Sept. 26 only fulfilled half of our demands. We need a guarantee that if the people vote against the President and the Soviets in the referendum there will be re-elections. We would demand that new elections be held no later than November or December of 1993. This is the primary condition we will put forward at the negotiations before we call off the strike."

At 5PM June 17 negotiation of the political demands got underway. The Working Group of the Coordinating Council represented the strikers at the negotiations and the First Vice-Premier, Yefim Zviagilski and the First Deputy Minister of all the ministries represented the government. On June 18 the strikers continued to press for guarantees that a re-election for the post of president and the Council of Peoples' Deputies would be held no later than December 1993.

Despite all this the miners received no such guarantees. (According to the constitution of the Ukraine, a referendum can result in legal impeachment of the president only if no fewer than 3 million people vote against him and in all other cases it can only serve as an expensive opinion poll.) The fate of the miners was clear; at metallurgical industries in Dniepropetrovsk and Zaporozhe martial law was instated. By the 16th of June coal supplies had been virtually depleted and furnaces in many industries began to shut



off. If the strike continued a few more days it would lead to massive losses in output in a number of industries. The metallurgists appealed to the miners to let them save the Ukrainian metallurgy and coke industries.

On June 19th the Coordinating Council of the strikers announced that they would suspend the strike. However they would be ready to start the strike up again if the government did not enact legislation to fulfill the agreements made at the negotiations and if they did not fulfill their political demands. In the resolution adopted by the council they write that the Supreme Soviet must decide within a week after the results of the referendum have been published whether or not to hold elections no later than December 1993.

On June 21, at the beginning of the new work week, the majority of mines started working again. But a few groups of workers were hard to convince to go back to work. So as of June 23, 44 mines were still on strike, among them 15 of the 17 mines from the Krivorozhsk coal basin and even mines from the Lugansk region and Pavlograd in the western Donbass. The strikers were not happy that only a few of the 35 points conceded at the negotiations were fulfilled. But the strike wound down and by June 25 only 7 mines were still on strike.

### THE RESULTS OF THE STRIKE

On June 24 the miners from the Zaslavko mine issued a statement in which they said that regional economic independence should only be accepted in conjunction with re-elections and the reorganization of local juridical bodies and executive powers. The statement claims that without this reorganization the corrupt local party nomenclature and the reactionary directors of enterprise will come into even more power. "Those who are in power are trying to maximize their profits at the expense of the people. We don't want to be pawns in other people's games." Those who signed the statement knew that the strike was called not only in reaction to skyrocketing prices, but in reaction to the local government.

This is a very characteristic example of the miners' relation to politics. Another example of this distrust was the miners' reaction to the expressions of solidarity and offers of support that they received from political organizations. During the highpoint of the strike they received a telegram from the leader of the Stalinist "Labour Russia", Victor Anpilov, which they promptly tore up. "God save us from that type of solidarity. The Bolsheviks already saved Russia once and we're still paying for it. If the Ukraine has any sort of a future it won't be a communist one," said Yuri Makarov and Alexander Kalinin, members of the strike committee.

In the strikers' June 17th address to the regional Soviet, the attorney general, the Internal Affairs Division and state security officials, they explicitly denounced the attempts of some pro-communists to use the strike for their own agendas. They declared that the congress to be held in Donetsk on June 19 to re-establish the Ukrainian Communist Party would be met with a strong reaction on the part of the workers and they asked that this meeting of the long since discredited party be outlawed.

By June 26, the Ukrainian Cabinet of Ministers, having looked over the demands of the strikers, decided to give in to their basic demands. They decided to lower their taxes, to change the way that payrolls are done at the enterprises, to adopt new rules about compensating workers whose health has been effected during work, to raise the minimum wage two times and to allow mines to export more coal than before, up to 10% of the total extracted.

They are also preparing resolutions on the following:

- on the increase of food, fuel and wood supplies to the mines;
- on changes in vacation laws;
- on using the money allocated to relocate people living in the area of Chernobyl to move them as quickly as possible;
- on improving the ecological conditions of industrial areas;
- on forbidding members of the Cabinet of Ministers and state security officials to work in commercial enterprises.

The government however refused to concede to some of the miners' demands. This included the indexation of the liquid capital of an enterprise which would have cost 15 trillion karbovanets and an indexation of the people's savings, which would have cost 9 trillion. The government just can't afford that sort of money. For the same reason they did not agree to the demands that workers be paid their full wages in times of temporary disability, to allot mines extra money for energy consumption, to raise pensions, to change the regulations of the consumer's fund, to raise wages to the amount needed for normal consumption and to pay the workers for the time they were on strike.

The government felt that this would lead to a new round of inflation. The budget deficit in the Ukraine is already 11 trillion karbovanets. Every karbovanets that the National Bank prints devalues the existing karbovanets by one quarter. The premier, Leonid Kuchma, announced that the government will continue to analyse the miners' demands and to work on the present and future policies of the Cabinet of Ministers. He believes that it's necessary to immediately change the way the state budget is distributed and he doesn't want to waste profits on pay increases as these profits are indispensable for the development of industry.

There was also no solution made to the problem of regional economic independence for the Donbass area. Of course there isn't even consensus about this among the miners; a lot of the miners feel that if the Donbass were to become economically independent they would no longer be able to appeal to Kiev for pay raises and they will instead have to deal with the local bureaucrats which might turn out to be more difficult.

So, one can say that the key problems of the Donetsk region have not been solved by the strike. The promises made to the miners can also be renegged upon, as was usual and is usual in Soviet and post-Soviet society. Does this mean that the Ukraine should expect new expressions of the miners' rage? You can be sure of it.

## SOME REMARKS ABOUT THE JUNE '93 DONBASS STRIKE IN UKRAINE

The article "The Donbass strike" which we reproduce in facsimile is from no. 2 of *Russian Labour Review*. The remarks below are taken from a comment to a translation of the article in the Dutch journal *Daad en Gedachte*:

*We want to make some remarks about the text. Firstly that from the text it is not clear if the strike was called, respectively led, by the independent union being in existence for some years or if it was a 'wildcat' action. This is a point to which the publishers of RLR pay little attention, and this is understandable because the social development in Russia in certain respects haven't yet gone as far as in the west.*

*The Russian workers, as the end of the article shows, stand quite opposed or with great distrust towards the political relations of the last 2-3 years. But that is mostly a political contradiction, if one may call it that. As far as they became members of the new independent union, this happened because they had had enough of the traditional union linked to the state. But their opposition to this union is not the same kind of opposition as the workers in the west find themselves in towards the unions. Such an opposition is still to develop in Russia and the former republics of the USSR. That's the reason why we suppose that the strike was led by the trade union and that the "representatives" of the workers which it is spoken about are trade union officials (paid or not). What is sure is that there was a clear willingness to struggle and that pressure was put on the union, something which is shown by the workers going on strike earlier than the strike committee (however it was composed) wanted.*

*Daad en Gedachte* is right about saying that the *RLR* is not very clear about certain aspects of the strike. And also in raising the point that the questions of the different social development in the ex-USSR and in the west, the relationship between the workers and the unions and the workers' attitude to the unions, doesn't pose themselves in exactly the same way there and here. On this question we hope to have in another issue an article from *DeG* about 'What can be the role of the trade unions in Russia?'. However, the speculations or assumptions about who 'led' the strike we can not agree with. Some at least a bit more more precise answers to this question is possible to find, even if understanding what's going on in the ex-

Vadim Borisov  
and Simon Clarke

## Reform and Revolution in the Communist National Park

On 7th June 1993 the miners of the Zasyad'ko mine in Donetsk in the Ukraine went on strike. Within days a general strike swept the region, with strikers in permanent occupation of the central square of the City of Donetsk. The strike had been precipitated by huge increases in the state-controlled prices of food, but the strikers immediately put forward political demands. Their main demand was for a referendum, to be followed by new elections if the result was a vote of no confidence in President Kravchuk and parliament. The strikers walked out of a meeting with the government commission sent to Donetsk on 8th June, on the grounds that they would not discuss economic demands until their political demands had been satisfied. The commission ended up holding a meeting with local mine and factory directors, who savaged the commission chairman Viktor Penzenik, author of the Ukrainian government's 'reform' programme.

At first the Ukrainian government tried to ignore the strike. The Supreme Soviet was convened on 14th June, one day earlier than planned, to discuss the strike, but parliament voted down the demand for a referendum. At 9 o'clock the next morning the co-Chairman

of the Donetsk Strike Committee, Mikhail Krilov, telephoned Kravchuk. As a result, that afternoon Kravchuk persuaded the Ukrainian parliament to adopt the referendum proposal. On 16th June 20,000 strikers surrounded the building in which the Pervomaïsk City Council was meeting to demand the dissolution of the Council, and would not allow the councillors to leave until they had submitted their resignation. Making the best of a difficult situation, the entire Council resigned 'in protest at the anti-popular policies of President Kravchuk'. On 18th June the strikers signed an agreement with the government negotiating commission, headed by Ukrainian First Vice-Premier Yefim Zvyagilski, who had at the beginning of the strike been Mayor of Donetsk, and only two months before had been Director of the Zasyad'ko mine in which the strike had begun.

The Donetsk strike has received little coverage in the Western media, but it also received little coverage in the Ukraine. Although the Donbass was paralysed by the general strike, much larger in scale than the strikes of 1989 and 1991 which undermined the soviet system, there was no mention of the strike on national television for the first week. The Ukrainian mass media persisted in portraying the strike as a miners' strike, although the miners had insisted from the beginning that they had no sectional demands, and the strike extended to all branches of industry by the second day. The mass media presented the strike as a struggle between the miners and the government, although it was not the workers but the enterprise directors who made the running in formulating the economic demands, and it was the directors who won the biggest concessions from the government. The strikers' demand for regional self-government was represented as a separatist demand, to divide the more Russified Donbass from Western Ukraine. The demand for the restoration of economic links with Russia

and the removal of customs barriers on the nearby border was represented as a demand for the restoration of the Soviet Union. Such distortions and misrepresentations are neither surprising nor unusual in the Ukraine. The Ukraine is the least changed of the former Soviet European Republics—Ukrainians describe their country as 'not a state, just a Communist National Park'. As the correspondent of Kiev TV said to Mikhail Krilov, 'we are independent, but only from ourselves'.

What did the workers want, and what did they get?

The Zasyad'ko mine was perhaps the least likely place for the strike to begin. Zasyad'ko had been under the authoritarian but paternalist rule of Zvyagilski for fifteen years, and wages and social and welfare facilities there are better than in other mines. The mine had not joined any of the strikes since 1989, and its workers were regarded as 'deaf and dumb scabs' by workers in other mines. But there were limits to what even the workers of Zasyad'ko would endure in the name of reform. The spark that ignited the workers of Zasyad'ko was the price increases introduced in the Donetsk region without notice on 7th June. The price of semi-smoked sausage, which is the staple food of miners, was increased overnight by almost four times to 20,000 coupons (£4), against the typical miners' wage of 120,000 a month.

The first many of the miners knew of the price increases was when their wives came home from the morning's shopping to buy food for their husbands' lunch packs, while others heard of it only on the trolleybus to work (and a few even when they went shopping for themselves). As miners of the second shift assembled before work the price rises were the single topic of conversation. As the workers attended their shift meetings, and changed into their hot and uncomfortable work clothes, the level of anger was steadily rising. The workers all came together at the pit head ready to take the lift down the shaft, chatting and having their last

smokes as usual. Workers were asking each other what is the point of working when you cannot afford to live, why should we risk our lives for a piece of sausage, and ranted against the government. Although the workers were agreed that there was no sense in working, nobody suggested that they should strike. Although the miners were angry there was no focus for their anger. The situation exploded when the new mine Director, the former chief engineer, arrived on the scene.

All the talk meant that the miners had been hanging around longer than usual. When the Director arrived he asked the miners why they were not going to work, and the very act of posing the question both raised the possibility of their not working and established the Director as the focus of the workers' anger. A crowd gathered around the Director explaining their problems, and asking what the mine could do to help them. The Director replied that the mine could do nothing to raise wages or subsidise food, because like the other Donbass mines it already owed colossal fines for overspending on wages, and was massively in debt as a result of non-payment by its customers, so that only the government could solve their economic problems. The last straw came when the Director clumsily tried to justify the government's price policy, at which the workers immediately took up the call of one of their number, 'do the work yourself', and walked out.

The workers, still in their work clothes, had no idea what to do or where to go. At first they planned to gather on the main road outside a neighbouring factory, but one said 'why should we stay here like dogs by the fence, let's go to the Kirov District Council office'. On the way to the council office they passed the offices of a local newspaper and told the journalists that they were on strike, while somebody phoned to the office of the City Strike Committee, established after the 1989 strike, to tell them what was happening.

When the miners arrived at the council office a few began to go in, but the two miners who had by now emerged as leaders of the group stopped them. 'The bloody chiefs can come down here themselves'. The chairman of the council came out to meet the strikers and asked them what they wanted. The workers vented their anger, but it was soon clear that they had no demands, and no idea what they wanted. The chairman of the council gave them pen and paper and asked them to make a list of demands.

Soon after this Mikhail Krilov, co-Chairman of the City Strike Committee, arrived and asked them what was going on. Krilov told them that they had jumped the gun, because the City Committee had been planning a strike for the following week, but now he took control of the meeting, picked up the demands shouted out from the crowd, and then read out the disparate items one by one for approval, before taking the list back to the Strike Committee office to be typed and submitted to the Council.

Meanwhile the offices of the City Strike Committee were buzzing as phone calls were made to all the mines in the region, and delegates came in to find out what was happening. The message came back that other mines were ready to strike, although many people were nervous about the consequences and nobody wanted to be the first. The leaders of the workers' movement decided that they had to call the other mines out if they were to keep control of the situation, because otherwise there was a risk of a spontaneous explosion. On the first day the other mines decided not to strike immediately, but to send representatives to a meeting in the central October Square. However, the following day most mines joined the strike, workers reporting by shift in their work clothes to what became a permanent meeting on October Square. The Strike Committee sent delegates to enterprises around the city, and workers from other industries began to join the strike,

although they were more nervous about striking and did not show the discipline and solidarity of the miners. However, the stoppage of coal deliveries soon led to a general slowdown in production.

Once the government was persuaded of the seriousness of the strike it moved rapidly towards a settlement. Zvyagilski, the former Director of the Zasyad'ko mine, who had advised the workers on the formulation of their demands at the beginning of the strike as Mayor of Donetsk, was by now First Vice-Premier of Ukraine. Two days after the acceptance of the demand for a referendum, which would have a moral but no constitutional status, Zvyagilski returned to Donetsk to negotiate an end to the strike, using his local contacts and trading on his reputation for honesty to sell a deal to the Strike Committee. The workers, elated by their political victory, were already drifting back to work in the expectation that their economic demands would be met, but in the event it was not so much the workers as the enterprise directors who were the victors.

The final settlement of the strike provided the miners with a doubling of their wages, but this was not a great victory since, as the miners themselves had said in rejecting economic negotiations, 'what is the point of getting bigger wages if prices only increase again next week?'. Other workers were promised comparable rises, although the government gave no details. Otherwise the workers had won little more than vague promises.

The enterprise directors won the cancelling of their fines, the resolution of their debt problems, tax concessions and greater freedom to trade. Many mine directors had actively supported the strike from the beginning, and none of them opposed it, although many managed to maintain some production under the cover of maintenance and safety. When the workers walked out of the negotiations with the first government commission it was the enterprise

directors (and one self-appointed representative of the official trade unions) who replaced them. When the final negotiations took place it was a former director who represented the government side. Many workers were saying by the end of the strike that this had been a directors' strike. Some were even making the completely unfounded allegation that the strike in Zasyad'ko, whose workers had a long-standing reputation as scabs who could easily be bought off, had been provoked deliberately.

Krilov decided to sign the final agreement because the strike was losing its momentum, with his hand being forced when Zvyagilski threatened that workers would only be paid for the period of the strike if they returned to work immediately. The workers themselves, however, were often reluctant to return to work, and many mines remained on strike, or came out again, but now coming under strong pressure from the enterprise administration. On the 19th the strike was officially called off. In place of the disciplined ranks of miners, the square was now occupied by small groups of political activists, including many in Donetsk for the Congress of the Communist Party of Ukraine (and including representatives of Militant and its Russian branch Workers' Democracy). The mood of the meeting was militant, even hysterical, but the strike movement was over in Donetsk as a positive force. The following day a few people stood around the edges of the square while street cleaners and grass cutters dominated the centre.

The 1993 strike had very much followed the pattern of the previous strike waves of 1989 and 1991, with workers showing a high degree of courage, solidarity and discipline. But as on the previous occasions, the strike had been a spontaneous eruption of anger. The political demands of the workers were purely negative, to remove all those individuals who had been responsible for previous policies, but the workers had no clear demands and no positive programme of

their own, so that it was easy for the movement to be co-opted and forced into established institutional channels, with the benefits falling to the directors and not to the workers. But although many felt that they had been sold-out by the Strike Committee, negative emotions do not provide a constructive basis for the development of a political movement.

The workers' frustration meant that they were reluctant to return to work, and the strike dragged on in Lugansk and Dnepropetrovsk, with a one day strike called by the official unions in Kharkov on 24th June. Tension remained high, so the strike could be resumed at any time, although the Donetsk Strike Committee called for the workers to await the outcome of the referendum in September before taking further action, although in the end the referendum was cancelled, without provoking a significant response from the workers. However, the Donbass strike does not provide much consolation for those looking for the emergence of a progressive workers' movement in the former Soviet Union. In

the absence of an institutional framework through which workers can formulate their demands spontaneity is not necessarily a progressive force, and neither the Strike Committees nor the Independent Miners' Union have been able to provide such a framework.

The dangers are well-illustrated by the previous spontaneous miners' strike in Donbass, a one-day strike in August 1992, in which the miners successfully demanded the expulsion from the city of all those from the Caucasian and Asian Republics who were not permanent residents, a demand that was enthusiastically implemented by the local mafia in a vigorous pogrom. The widespread suspicion of the workers of Zasyad'ko and of the settlement negotiated with Zvyagilski both had a strong anti-semitic element. Zasyad'ko is known locally as 'the Jewish mine' because Zvyagilski is a Jew. The dilemma for the workers' leaders is that while they have been able to achieve little within existing channels, if the strike movement moves outside those channels it can develop in very nasty directions.

USSR as far as 'organisation' and 'organisations' are concerned is very difficult. A quite typical and wellknown phenomenon in many cities and areas is the more or less, and in various forms, permanent existence of 'strike committees' - in one way or another maintained after a struggle is over. It's typical for many mining areas, but could often cover a whole city. We also publish another article about the Donbass strike, "Reform and Revolution in the Communist National Park", which gives a number of interesting points compared with the *RLR* article, among others:

It shows very interestingly how the open discontent

started at one mine, with workers being fed up by the price increases, but with no clear idea about what to do, and how it then developed. It shows clearly how the 'organisation' trying to speak for the workers, criticising them for going on strike 'too early' since other strike plans existed, was the Donetsk workers' strike committee, and gives further interesting information about how these 'workers' leaders' tried to keep the situation under control to avoid more spontaneous actions. Apparently the independent miners union played no particularly significant role in all this. It also shows clearly that it was not only a miners' strike, but involved many others in something like a general strike.

RH

## 1994 From a contact in Moscow

Vladimir Maliavin

## A Tale Full of Fury Signifying... Notes from Moscow on Russian Labour Movement

Since the collapse of the Soviet Union the workers' movement in Russia has been as much in disarray as all aspects of life in the former superpower. Or perhaps even more. For the workers after all has turned out to be the primary victim of contemporary economic devastation in this country.

The main blow was hit of course by the incredible recession of production - more than half of the industrial output! Even in Russia, where people have learned well to imitate water and flow out under pressure without letting themselves to be compressed, the overall rate of unemployment has risen to the number of 10-12 millions, i.e. up to 25% of population liable to work. Most others have only part-time jobs. And those few who do have a work can hardly make the ends meet: the average income of Russian worker as of September was 220 thousand roubles (100 \$). The absurd fiscal and financial policy of the government makes the situation still worse: in many cases the factories do better by reducing even profitable production - and getting governmental support instead.

Disappointment, anger, fury - such are the dominating sentiments of workers all over the country. And yet future historians are likely to credit modern "democratic" rulers of Russia with the virtuoso usage of one strange law of Russian life: you can't make the life of Russian people better without making it worse. The prices for gas in Moscow go up, there is shortage of gas - and the cars on Moscow streets are getting even more numerous. There are political quarrels and even shooting - yet the people are more calm and gentle than ever. So by far the situation in Russia has not burst out in radical actions - despite sinister clouds of wrath on the social horizon: during the first nine months of 1994 there have occurred almost 400 strikes as against 264 for the whole of 1993. The main motive of these strikes is the delay in payment of wages.

The explanation of workers' relative passivity (quite impossible in the West) is not hard to find. Many workers still lay their vague - all too vague now - hopes on reforms. Most people by nowadays are aware that these hopes are illusory or too modest at any rate. But the alternative is even more frightening: those good old commies with their repressions and lies and gimmik of the mass mobilisation. No, common people in Russia do not like communists. (Such is the general background of the workers' movement in Russia. And strange movement it is with its "reformed" trade unions pursuing utterly indecisive, ambiguous policy inspired by the idea of "social partnership". So Trade Unions' leaders call for strikes and "actions of protest" but not at the risk of "harming economy and social stability". One gets an impression that they are organizers of workers' movement against their own will. Or take for instance the recent interview of the Russian Federation of Independent Trade Unions' Secretary Alexandre Solovyov published in the newspaper "Vek". "We maintain good relations with businessmen, - Solovyov says. - But the problem is that most businessmen are not using hired labour and prefer to make money out of money...". "It is not businessmen's fault, Solovyov hastens to add, for they are forced to avoid hiring workers because of government's pressure. As a result, modern Russian entrepreneurs are still "bad partners" for the workers."

So, the government is hopelessly bad but perfectly fitted for cooperation. The businessmen are good but quite unfitted for partnership. What a strange logic of so strange a life! The workers' self-awareness, it seems, has not even dawned here. And what is left for us then? More than hundred years ago Russian poet Nekrasov wrote the lines:

"A capital is full of noise, the rallies roar, / The war of words is at the peak, / But there, in the heart of Russia, / eternal silence reigns... / Many words in this country are pronounced, to be sure, only for the sake of hiding this noble silence.



# THE NORDIC COUNTRIES

## NOTES ABOUT THE SITUATION IN 1992

*The following notes are taken from a circular letter about the Nordic countries and the ex-USSR published by Motiva Forlag (see Echanges 70/71 p.67), Postboks 9340 Vålerenga, 0610 Oslo, Norway). It's a follow-up to notes about Norway, Sweden and Finland which appeared in Echanges no. 68/69 and 70/71. As on previous occasions the aim was not to provide an analysis, but just to give some basic information. These notes are unfortunately published much later than they ought to be, and hopefully more updated material will follow soon.*

The general picture of Scandinavia and Finland is one of increased difficulties for capital. The attacks on the working class and the rest of the population is increasing. Whereas these attacks earlier were rather subtle, they are now head on and rather hard. There is a trend towards direct wage and benefits cuts. The workers are badly armed to defend themselves against these attacks.



## FINLAND

On 22. Apr. 92, 250-300000 workers and employees went on strike and demonstrated against the government. The immediate reason for this protest was a government proposal to cut 10 billion Finnish marks from next year's budget. The strike was called by the main union federations. In October 1991 a wage deal was made that will lead to wage reductions for the next two years, and in November a devaluation of the Finnish mark of approximately 12% was made.

On September 8 the Finnish Mark was devaluated with approximately 15 per cent.

On October 14 the government decided to make a new 'crisis package'. One of the main points in this is to make a forced 'loan' from all wage earners earning more than 100000 marks. This 'loan' will be 2 per cent of all wages over 100000 marks rising to 4 per cent for all wages over 275000 marks. This loan is to be repaid in 1995 without interest. Several taxes will also be raised to give 1.5 billion increase in income, and state spending will be cut making savings of 5 billion.

In October unemployment was 403000 or 16.2 per cent according to a government agency.

*The Finnish communist party went bankrupt yesterday after having lost millions on the stock exchange. ... The economic trouble of the communist party is due to unsuccessful speculation on the stock exchange - capitalism's stronghold - with many hazardous investments. Among the more exotic investment objects was a fashion shop in Helsinki and a stable of race horses called 'The Hot Trotters' (Aftenposten 16.11.92)*

## NORWAY

During the 'November crisis' at the international exchange markets, the Norwegian state managed to defend its currency exchange rate. During this defence the short time interest rate reached 1000 percent. In the beginning of December the government proposed a new round of attacks, rising value added tax by 2 per cent, rising income tax and taking away one annual leave day. This has not yet been accepted by parliament, but there is no reason to believe that parliament will not accept this proposal. A few days after this proposal was published by the government, the leader of the employers' federation went to the papers and demanded direct wage cuts. The vice chairman of the dominating trade union federation LO had this reply: *'We regard this proposal as unwise, and the timing is completely wrong. ... We now have a common task, and that is to make Stortinget (parliament) accept the proposed crisis package. Then we shall take the wage negotiations in its due time...'* (Aftenposten evening edition 08.12.92) The day after this was written, the radio brought the news that the Norwegian central bank had left the fixed exchange rate and the Krone is floating. This immediately led to a devaluation of approximately 5 %.

The banks are still in a deep crisis, and the government has been forced to take over major banks in order to save them from collapsing. The biggest insurance company finds itself in deep trouble after having failed in an unfriendly takeover of a Swedish company.

Many key sectors of industry have difficulties, and profits are falling. Metal melting loses money, and closing down of plants is likely. The biggest company, Elkem, proposed wage cuts for all its employees. This proposal was turned down by the unions, but they instead helped the company to make savings to the same amount. Production of car parts, which has been a field that several companies has seen as its future, is due to the international crisis in the car industry in trouble.

The industry has a large part of its business as parts deliveries to the Swedish car producers. Layoffs are most likely to come. Now, Volvo has demanded a 10 per cent cut in prices from all its subcontractors.

"166 701 persons, or 7.8 per cent of the workforce, are now without ordinary work in this country. 63 240 of these are on different employment schemes, while 103 461 are completely without work." (*Aftenposten* evening edition 18.11.92)

During the process of wage negotiations this spring many strikes took place: bus workers, ferry workers, oil workers, municipal employees, hospital workers. Number of strike days was higher than for many years. These strikes were almost completely under the control of the unions.

Lift construction and maintenance workers in some companies have been on wildcat strikes to defend an agreement they have made with their employers under which no workers shall be sacked, but lay-offs shall be equally shared among the whole workforce. The employers federation has tried to force such agreements to be banned.

Workers at a transport terminal in Oslo struck illegally in order to force the company to hire more full time workers, instead of hiring them on a short time or day to day basis. The strikers managed to get verbal support from many enterprises, and there were some sympathy strikes at some other facilities of the company in other towns. The strike was then called off, and union and employer went back to the negotiating table.

## SWEDEN

You can hardly open a Swedish paper these days without reading about people being laid off or factories closing down completely. Only in June '92 unemployment rose with 60000, making the total 268684 or 4.9 per cent. In July the figure rose to 307000 or 5.6 per cent.

In September the Swedish Krona was under heavy attack and the national bank raised its

interest rate to 500 per cent on lending to other banks. At the same time the government proposed one 'crisis package' after the other, adding up to large cuts in benefits, higher taxes, and even taking away two days of annual leave.

In the beginning of November Volvo decided to close two of its main factories in Sweden, Uddevalla and Kalmar, and also to cut manning at its other plants. Thus only at Volvo almost 4000 jobs disappeared. In passing it can be worthwhile to mention that the plant in Uddevalla is a very new plant which was supposed to be a model for future car production with group work and no assembly line.

A few days later the other car producer SAAB announced cuts in manning of 1800.

In October 227000 or 5.2 per cent were unemployed and at the same time 285000 were on different government funded work and education. The total number of employed has fallen with almost 200 000 since October '91.

On November 19 the Swedish Krona was freed from the fixed rate system and was devaluated with approximately 10 per cent.

*Contraflow, March 94*

## SANTA CLAUS PRIVATIZED.

The eleven workers who answer the letters from kids in the UK to Santa Claus had their pay per letter reduced to 15p to 7p when they were contracted out of the Royal Mail. Metro Mail, owners of the elf slave house refused to comment, the post office accused workers of "trying to destroy the magic of Christmas". Meanwhile kids now only receive a form letter with a typeset signature. Not even Christmas is safe from Capitalism!

## SOME PUBLICATIONS

### Brand

*Brand* (Box 150 15, 104 65 Stockholm) This Swedish libertarian journal (see *Echanges* 65 p.80 and 68/69 p.62) is being very regularly published and could be of interest to those able to understand some of the Scandinavian languages. In addition to general articles it contains a much on various political actions and protests (but very little on the class struggle itself), and a lot of debates. Contents of some of the many issues: No.53/Nov.92 contains among other things the following material: Long article on the Balkan war - Squatters in Sweden No.54/Feb.93: Interview with the US speed metal artist Ice-T - On pornography, politics and perversions (A balanced, non-moralistic article by a female on pornography and eroticism) - Articles from an anarchist/autonomist viewpoint on demonstrations against fascist meetings in a number of various Swedish cities (Among other things criticising the 'legalism' of the traditional left), and discussion articles on the allegedly 'elitist' tactics and attitudes of the autonomist milieu in these demonstrations. No.62/Aug.94: An issue with 'Feminism and sexism' as the main theme. Otherwise material about squatting and a Swedish anarchist fair.

### A-Infos Sweden

We don't receive regularly, but has seen some issues of, this 8-page bulletin in English. It is a Swedish version of the many A-Infos bulletins published by anarchist groups in various countries, with the aim of *Documenting political, social and anarchist current events in their country in the form of brief news items*. Sections on Anarchist activities - Environment - Antifascism - Fascism - Feminism - Immigration - Homosexual rights - Antimilitarism - Police - Politics - Social - Unions. Write to: A-Infos, Box 150 15, 104 65 Stockholm, Sweden.

### News from Denmark

Another English-language bulletin we don't receive, but has seen some copies of published in 1993, so we don't know if it still exists. Published by Anarchist Black Cross - Denmark. One issue has articles about the resistance and manifestations against the European Union, and police brutality during these manifestations. Another issue had material about attacks against refugees, police invasion of the 'free town' Christiania, about sentencing people to life in prison, etc. Write to: ABC-Denmark, c/o P. Bach, Strandvejen 93, 4200 Slagelse, Denmark.

### Lønsslaven

*Lønsslaven* ('The wage slave') is a Norwegian journal which has been published for a while, but not yet presented in the English edition of *Echanges* (partly because of practical reasons of other material already being ready for publication, but mainly because we wanted to combine a presentation of the journal with their answer to a letter we sent to them attempting to raise a discussion). In a letter one of the editors says that "*Lønsslaven was started by 2 persons who for a short while were members of NSF (Norwegian Syndicalist Federation) and myself. The two first issues had the subtitle 'for the abolition of wage slavery and anarcho-syndicalist thought and action'; from no.3 'for the abolition of wage slavery and anti-state socialism'. The new subtitle better describes the real contents of the journal; in addition only 1 of the editors can be said to be (anarcho-syndicalist in any meaningful sense. The best indirect (i.e. ideological in a sense) to description is probably that the journal in a way inhabits the borderline area (if such a thing exists) between anarcho-syndicalism and councilism, with a touch of situationism thrown in.*" In another letter some other remarks are made: "...we have some internal disagreements on the evolution of anarcho-syndicalism in its traditional meaning, but in the journal never argued neither for establishment of alternative, "revolutionary" unions nor for the outright

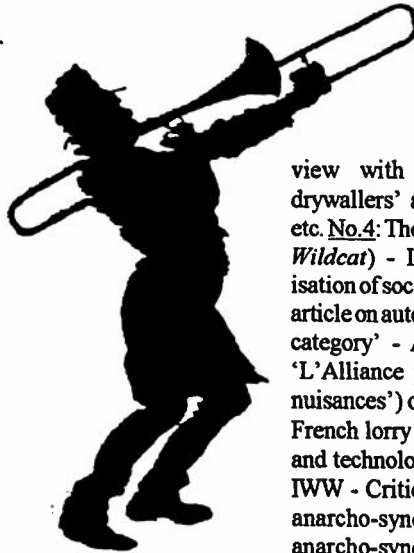
*reformist activities within the established unions (this is the line of the Norwegian NSF)... The editors are united in our acceptance of the contents or goal of anarcho-syndicalism, which also is the goal of council communism, anti-leninist marxism etc., namely the auto-emancipation of the working class. Where we may have some differences is in our degree of rejection of the form (or strategy) for this emancipation that anarcho-syndicalism entails, i.e. the building of alternative, "revolutionary" unions. This is a discussion that we try to keep among ourselves for the present."*

The first 4 issues contains the following:  
**No.1:** Article by US situationist K.Knabb on the Gulf War and the Spectacle - M. Bookchin on "The Left that was" - Critical review of G. Debord's "Commentary on the Society of the Spectacle" (chosen as a kind of general introductory article and not because we necessarily share his views on the present political situation") - Long article (continued in no.2) on the Gulf war, Iraq and the "national socialist" background of the Baath party - Articles on Seven elements for an anarcho-syndicalist strategy, Social democracy, Towards a new labour movement in Russia?; etc. **No.2:** On the 1991 Renault strike (from *Echanges*) - Summary of article from *Etcetera* about "dispersed fordism and the new organisation of labour" - Marc Geoffroy: "Israel and the German anti-war movement" - Articles on the 500-year anniversary of Columbus' "discovery"; on the misery of

trade union work; on the surrealist Rørelsens Grupp in Stockholm; etc. **No.3:** "Address to all who do not wish to manage the nuisances, but abolish them" (from *Encyclopedie des Nuisances*) - N.Chomsky: "Media Control" - On the workers

## Lønsslaven

Blad for lønnsarbejdere og anti-staatlig socialisme. Nummer 3



movement in Italy autumn 92 (from *Collegamenti*) - Presentation and interview with the US group/journal *Midnight Notes* - Articles on Yugoslavia; on a wild-cat strike at a Norwegian transport terminal; inter-

view with US syndicalist about the drywallers' actions in southern California; etc. **No.4:** The Timex strike (from the German *Wildcat*) - Informatisation and computerisation of society (from *Mordicus*) - A critical article on autonomists of the 'North European category' - Articles (from the *Bulletin* of 'L'Alliance pour l'opposition à toutes les nuisances') on 'European transport' and the French lorry drivers actions and on Science and technology - On the early history of the IWW - Critical review of book on Swedish anarcho-syndicalism, concluding that anarcho-syndicalism and the strategy of building unions need to be reexamined - a number of book reviews - A 'lead article' on the need for building independent workplace groups; etc.

An *Echanges* comrade wrote the following letter to *Lønsslaven*: "I am interested in what you have written in this 'lead article' on the need for building independent workplace groups. If it is not too long, could you translate it? If you have a debate on this question, I will be interested to know its content. It is an old question, though somewhat different from the present debate about alternative unions. I.C.O had more than 30 years ago such a position but with a big difference: the group was a place of meeting for workers involved in some kind of activity outside of the unions,

*having been pushed out by the union repression. So it was not at all a strategy but the expression of a general situation; at a smaller scale, it was something comparable to the activities of the COBAS in Italy. After 1968 some groups tried to implement such a strategy answering "the need for building independent workplace groups". Of course it was the traditional activity of all political parties, of the trotskysts and some anarcho-syndicalist groups, of groups like the ICC... The best example was a group called P.I.C. (Pour une Intervention Communiste), later transformed into Revolution Communiste: they completely failed in their attempt to build such workplace groups supposed to become the backbone of the organisation. I could quote a lot of similar attempts. The main questions about all these "workplace" organisations are: to which "need" are they answering? The answer to this question raise another question: if such "workplace" groups look for being permanent and for some kind of link with similar groups, what is the meaning of this permanence and of their "organisation" (in other words, what is their function, between the two poles: the alternative union and the political organisation)? The approach to all these questions can be made from outside, from the top as the performing of some kind of ideology or from the rank and file, from inside the workplace as the answer to a concrete situation."*

This letter was written before we had the opportunity to study the article in question. After having done that some other remarks could have been made also. However, it doesn't make any sense to do that, since we never had a reaction to the letter. However, what finally should be said is firstly that the comrades producing *Lønns-slaven* is of course interested in contact and exchanges with groups and journals all over the world, as can be seen from the wide range of material they publish. Secondly, as far as reading of the issues themselves is concerned, it is of course restricted to those being able to understand Norwegian, but for readers in Scandinavia we can, despite many

differences we could have with the publishers or some of the material they publish, highly recommend *Lønns-slaven*. It contains much material which should be of interest to Scandinavians: apart from some material about Norway (too little in our opinion), it has a number of articles translated from journals not normally read in Scandinavia or from languages many there normally don't read very well.

*Lønns-slaven* can be contacted by writing to: *Lønns-slaven*, Postboks 1920 Vika, 0125 Oslo, Norway. Subscription is NOK 100 for 4 issues. Old issues available for NOK 25 pr. issue.

## DISCUSSION ABOUT PRESENT SOCIETY, 'MARXISM' AND WORKERS' STRUGGLES

The following is from a letter sent to a reader in the UK (being a member of a local group of the Class War federation). For some of the points raised below we can also refer to our review in no. 70/71 of the pamphlet "Why the 'revolutionaries' have failed".

*"...we will try to explain a bit more about what you said you found interesting in our approach.*

*At first you insist on the fact that "with the collapse of state capitalism many people are returning to 'classical marxism' as if hiding from present realities will solve anything." We think that this statement could be true on one hand and not true on the other hand.*

*If by "returning to classical marxism" you mean, as quite a lot of people effectively do, that we have to come back to the bolshevik revolution*

and to 'pure leninism', we think you are right. The collapse of the USSR is the collapse of the idea that capitalist society can be transformed by decrees from the top; in other words that one has to 'conquer the state' and to use a renewed state apparatus to implement a 'socialist programme' or 'society'. Such an idea was shared by a wide range of people, from the social democrats looking for a parliamentary road (with Labour in the UK and the PS in France we know what this means) to the trotskyst or maoist organisations. The only difference between all these parties or groups is not about the final aim but about the methods to achieve it (we can observe all possible variations about these methods). The final aim, to take over the State, also means that these people must be 'more conscious' than the majority of the exploited workers and that they could be the 'vanguard' of more advanced militants able to put another society on its track. You are right when you write that these people are returning to 'classical marxism' because effectively, mainly in the UK, several theoretical papers recently opened discussions mixing texts written earlier or opposed to the leninist current (for instance somewhat referring to the council communist current), but - and this is the essential point - not trying to study the real meaning of the Russian revolution of 1917, of leninism and beyond that the vanguardist ideas (which will also bring about a discussion on anarchism).

If by 'returning to classical marxism' you mean that we have to drop any reference to the marxist analysis of capitalist society, we have to state our disagreement. This world is actually going upside down: when it is evident that capitalism is overwhelmingly invading the whole world and every aspect of social life, when it is evident that the 'exploitation of work' by capitalists is quickly spreading in all countries and still displacing a number of peasants to the factories, when it is evident for everybody that the pretended 'socialist countries' were no more and no less than capitalist countries engaged in

a harsh primitive accumulation, the present dominant ideology tries to persuade everybody about such rubbish as the 'end of classes' (and of course of class struggle), the 'end of History', the 'obsolescence of marxism' etc... The aim of this ideology is to try to disorientate workers by putting into their mind that 'communism' is dead with the collapse of the 'socialist countries' and that 'capitalism' is the only valid society. The worse in this situation is that on one hand this ideology permeates the 'revolutionary' groups, the left and ultra left, amongst quite a lot of discussions - and confusion - about a 'new industrial society' producing a 'new kind of worker' etc...; on the other hand the collapse of the vanguardist ideas and of all its various concretisations makes almost completely the content and meaning of the present class struggle.

What you write that you "like about" our "approach of learning from contemporary class conflicts around the world" refers to this last sentence. We can consider that such an approach is basically a marxist one, but actually we don't care to put a label on it. Class struggle is not what is in our heads, but what actually happens in present society. If it has the same basis, the struggle against any form of exploitation and domination, its forms and locations, can be moving or spreading. There is no specific form or model or example, they all have their own specificity; mostly we know the most spectacular ones but the smaller ones hidden in the day to day routine behind the walls of a factory for example can be as important as the 'big' ones. This is the reason why all these struggles have to be considered in the situation where they take place and not placed at the same level of significance, even if at a general level they can appear equally important for the capitalist system as a whole. This also means that it is not enough to applaud loudly and to publicise these struggles (which of course is useful also), but to try to explain their content, their aim, their consequences, their limits and their ambiguity.

## From Discussion Bulletin 53, Jan.-Feb. 93

(The article below by Cajo Brendel is from the Dutch monthly journal Daad en Gedachte [Action and Thought] "A newspaper dedicated to the problems of the independent struggle of workers." It was translated through the good offices of a Canadian subscriber who prevailed on a friend to take on the job. Larry Gambone's original article was in DB38, November 1989.)

### AN INTERESTING NOTE ABOUT TWO MENSHEVIKS

For some time we have been receiving the Discussion Bulletin from the United States, published by a small group in Grand Rapids, Michigan. In a fairly recent issue we found a short but interesting note about two well-known and prominent Mensheviks: Pavel Axelrod and Julius Martov. The content of this article is most important because it also sheds some light on certain aspects of Bolshevism and the Russian Revolution. Thus we present it here in translation.

The author of the article -- one Larry Gambone -- asserts first of all that the "Leninists" tried in every way to make the Mensheviks appear suspect and impossible, as opportunists, right-wing social democrats, and counter-revolutionaries. In reality, Gambone argues, they were in a somewhat different position.

Two wings could be distinguished among the Mensheviks (1). The right wing did not distinguish itself from German social democracy and could correctly be called "opportunistic". The other wing -- the left Mensheviks -- did not adhere to any form of state socialism and resembled neither social democracy nor the Bolsheviks.

All too often and all too easily one forgets that the division between Bolsheviks and Mensheviks at the time was not the result of differences between socialists and social democrats. The question that kept these two Russian tendencies apart was what kind of party was needed in Russia (2).

Lenin's disciples wanted an elite of conspirators, centralized in the extreme; their opponents wanted a broad democratic movement. The two Mensheviks who opposed the Bolsheviks most forcefully, because they perceived the seeds of totalitarian ideas in them, were Axelrod and Martov.

Pavel Axelrod was one of the first Russian Marxists, and he exerted great influence over the Mensheviks. Contrary to Lenin and the other Bolshevik leaders, he was a worker and came from a poor family. From the beginning he opposed the elitist and "mechanical" ideas of Plekanov; he emphasized human activity rather than determinist laws of development. Axelrod was of the opinion that socialists should be zealots for freedom, and he advocated the formation of a democratic mass movement. He had no sympathy whatsoever for revolutionary intellectuals and their outlines, because he realized that for them the workers would end up being nothing more than cannon fodder.

He saw the Russian Social Democratic Party as an organization of the petty bourgeois intelligentsia that strived to bring the working class under its influence. Instead Axelrod wanted the intellectuals to participate in a proletarian mass movement, one that would counteract their pretensions.

In view of these ideas, it should not surprise anyone that in 1903 when the division between Bolsheviks and Mensheviks became final, he called Lenin a "Jacobin" and characterized Bolshevism as a "... putschist, conspiratorial approach, a mix of Bakuninist and Blanquist tendencies, hidden behind a Marxist phraseology." He also called Bolshevism a "... particularly simple copy of the bureaucratic-autocratic system of our [Czarist] Department of the Interior."

Axelrod believed the Bolshevik grab for power to be "counter-revolutionary" and "a crime without precedent" which would lead to the undoing of Russia.

Julius Martov shared Axelrod's ideas in many respects. He also considered socialism not as the destruction of some people's personal freedom but, on the contrary, as its complete realization. He was also opposed to the formation of a party of professional revolutionaries, and he was a champion of a more decentralized party with autonomy for local branches. Like Marx, he was of the opinion that the struggle of the working class was one of self-liberation, or "a revolution from the bottom up".



Martov did not see the revolution as a conquest of power by a party or by an elite, but as the almost spontaneous revolt of the masses.

Martov also stressed local autonomous activity. His relentless advocacy of the idea of self-government started to bear fruit in 1905 with the formation of the St. Petersburg soviet [3].

During the October Revolution the soviets seemed to be the realization of Martov's ideas, but he pointed out emphatically that one party alone should not dominate these organizations. Revolutionary workers supported the Bolsheviks at the beginning, but slowly they started to be attracted to the ideas of Martov. During 1918 the Menshevik following grew in the soviets. The Bolsheviks feared they might lose their majority. They expelled Martov and his supporters from the Central Executive Committee and forbade their newspapers. For Martov this signified the death of the revolution and the beginning of the end of freedom and socialism. He greeted the outbreak of revolution in Germany and Austria with joy, because he hoped that if successful, they would be a support for Russian workers and would save the Revolution in Russia.

Martov realized that Russia was not ripe for socialism because there was no significant working class and because peasants desired private property of land instead of a socialist economy. He was also opposed to the nationalization of land. On top of that, he believed that under a Bolshevik regime one could not speak of socialism but only of state capitalism. Martov was probably one the first to reach this conclusion. According to Martov, the Bolshevik repression of the soviets and factory committees, which became tangible with the destruction of the cooperative movement, made every form of real socialism totally impossible.

The left Mensheviks, anarchists, and council communists were defeated by means of Bolshevik terror. Now Leninism itself is dying. Perhaps fighters like Axelrod and Martov will now win the recognition they deserve.

#### COMMENTARY

As far as revolutionary disposition and activity go, the "left" Mensheviks were not outstripped by the Bolsheviks. A Menshevik like Boris Nicolaevsky, for example, was arrested eight times before 1917 and three times exiled to Siberia. He managed to escape twice from there, and one time he escaped from a prison. There are only a few Bolsheviks who could boast of a similar "record" [4].

What separated the Mensheviks from the Bolsheviks were indeed their contrasting ideas on party organization. We share the opinion of Pavel Axelrod that the Russian Social Democratic Party following the Bolshevik model was an "organization of the petty-bourgeois intelligentsia." We also think that he was right in calling Lenin a Jacobin, something that Lenin himself also did [5]. And in our opinion, Axelrod was not wrong either when he characterized Bolshevism as a "mix of Bakuninism and Blanquism".

However, the Mensheviks did not see that in a country like Russia of which Martov later said -- in view of its class relations -- that socialism was not on the agenda, that a historic role was reserved precisely for a Jacobin party in the forthcoming revolution. The policy which the Bolsheviks chose, or rather were forced to choose, did not mean (unlike what Martov thought) the "death of the revolution" or "the end of socialism", for the simple reason that socialism had been out of the question all along and that the revolution could not have created any other society but the one Martov himself designated with the words "state capitalism".

As far as the article in the Discussion Bulletin is concerned, in our opinion its author overlooks that both the St. Petersburg soviet of 1905 and later ones consisted mainly of representatives of various political parties and that these organizations thus did not embody the ideas of Axelrod or Martov to the extent that he assumes. When he refers to "revolutionary workers", he attributes certain socialist ideas to those who were in fact fighting for their own interests. We believe that they hardly held these (socialist) ideas at all. We also believe it is incorrect to say that the Bolsheviks defeated "council communists". Council communist ideas arose in Western Europe only as the true character of the Russian Revolution gradually became clear.

[1] We consider the distinction between "left-wing" and "right-wing" in politics outdated and no longer meaningful, but here we use the author's terminology. We hope this does not give rise to any misunderstandings.

[2] Gambone is not the only one with this opinion. In an essay about the Mensheviks reprinted in an anthology published last year, Robert Conquest, the author of two important books about Stalinist terror among other works, states exactly the same thing (Robert Conquest, *Tyrants and Typewriters*, p. 132).

[3] We differ from Gambone in his judgment of the St. Petersburg soviet of 1905. We also disagree with him on several other items. See our Commentary.

[4] see Conquest in the anthology mentioned above, page 132.

[5] see Lenin's pamphlet *What Is To Be Done?* written in 1902.

## African Workers Fighting for Lives

Workers are raising hell all over Africa, demanding that their unions adopt a more militant response to government austerity plans adopted at the behest of the World Bank and the International Monetary Fund.

In West Africa, the pro-government Conseil National des Travailleurs du Senegal is protesting across-the-board 15% pay cuts for government workers, among other austerity measures.

Last month Nigerian workers successfully staged a week-long strike, forcing the new military government to cut by almost 50% fuel price increases announced a week earlier.

Cameroonian teachers managed this month to get control of the English Examinations Board after a 3-month class boycott which left final examinations unmarked. And on Dec. 1

government workers began a 3-day strike to protest government plans to slash their salaries by from 12 to 50 percent after six years of frozen wages.

In East Africa, Tanzanian teachers forced the government to address their grievances, including demands for 3,000% salary increases and other allowances.

And Kenyan unions are trying to cut the umbilical cord traditionally tying them to the government. The Central Organization of Trade Unions was until recently affiliated to the ruling party, but last May COTU called its first strike: a 2-day strike that paralysed transport in Nairobi and other major towns, despite tough anti-strike laws.

In November, Mozambique's teachers, railway and factory workers downed tools in wildcat strikes. Malawi tea estate and government workers won hefty wage increases after Malawi's first strike since independence 30 years ago.

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## Grave-diggers strike

Bodies are piling up in southern Quebec towns where grave-diggers went on strike 74 days ago.

"They're just stashing them away like beef carcasses," recent widow Antoinette O'Dwyer told the *Ottawa Sun*. Grieving families said they would fetch the bodies and bury them themselves if undertakers do not pick up their shovels soon.

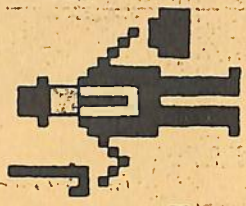
Funeral homes with full cold-storage space are keeping the cadavers in outside "winter vaults" but an autumn heatwave could make the use of these unrefrigerated stone buildings unpleasant.

Negotiations over cemetery workers' job security continue.

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