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## **Working life in Russia**

### **Introduction**

In this article, I shall discuss Russian working life. My basic question is concerning the change: What has changed and what has not changed during past 20 years in the world of work? Soviet work life and Russian work life has been extensively researched from many different perspectives. There haven't substantial changes to ownership and strategies of many Russian corporations since the year 1991. However, management structures have changed but only in a limited way (Schwartz and McCann 2007). The labour process debate in particular has produced some interesting theorizations about the socialist and capitalist workplace and the transformation from socialist to capitalist work life. Based on fieldwork in Russian factories, these changes are analyzed among others by Michael Burawoy & Pavel Krotov (1993) and Simon Clarke (1993). The results indicate that the work organizations have changed only quite moderately. More recently, Russian work life has been analysed and evaluated above all in the business management literature (e.g. Fey & Björkman 2007; Hollinshead 2007; Yakubovich & Kozina 2007; Gurkov & Zelenova 2009; Balabanov et al. 2017).

In advanced countries, sociologists in the field of work research have been interested in globalization, digitalization and the growth of precarious work. People have moved between the continents for thousands of years. Globalization is not any new phenomena. Swedish sociologist Göran Therborn is talking about the sixth wave of globalization. It means "an extension of markets, of opening-up of capital movements and of trade in merchandise and in services." (Therborn 2011, 52). New wave of rapid technical development is shaping the world of work. Digitalization and robotization mean growth of productivity, many jobs will be replaced with robots and workers must learn new skills all the time. It is estimated that robots will replace workers in many occupations not only in manufacturing industries but in services too. However, the future of work is open in this respect since all the decisions are made by human beings. Job insecurity is increasing. Precarious work relations are more and more common. Especially young employees have to work more and more often forced to work in precarious conditions (Kalleberg 2018).

Over 40% of young workers in the European Union are stuck with poorly paid and temporal work contracts. This creates feelings of being excluded from the society as well as suffering from stress.

People feel that their lives are more insecure than it used to be for 30 years ago. Workers are more and more interested in secure employment, wages are not that important. The second wish is that workers use their own skills and own initiative in their daily work (Kalleberg 2018, 1-2). Can we find same features in the contemporary Russian working life or is Russia still different?

In the following, I propose that Russian working life has changed in many respects during past 20 years. However, there are also continuities. In the Soviet Union, work organizations were quite different from the capitalist work organizations (Blom 1991). During the past 20 years, the differences between the Russian and for example Finnish work places have decreased. The differences in the work situation between classes exist, and some of them are increasing and some are decreasing. Let me propose the following hypothesis to be tested

1. Russian labour markets are becoming post-industrial. The share of manufacturing industries will decline and services increase. There will be more precarious positions than before.
2. Wage differences between the class groups have increased.
3. Structuration of class situation at work is changing. The power resources of the core middle class increase and the power resources of the working class decline.

Our project has analysed the changing Russian working life over 30 years. Our first survey data was collected already in the year 1988 and it comes from the industrial city of Kramatorsk in Eastern Ukraine. In her article – based on this data - on industrial work, Irina Petrushina (1991) showed that at the current Soviet work organizations were faced with many challenges and they needed urgent restructuration (perestroika). In order to enhance quality and productivity factories had to debureaucratize management, increase worker autonomy and reorganize work organization.

Our second data is based on nationwide sample and it is from the year 1998. The data was collected in the middle of deep economic and social crisis. In my article on changes and continuity in Russian work organization (Melin 2002) I analysed the first 10 years of post-socialist development. I showed that at the macro level, new institutions and new practices seemed to flourish. However, in practise a lot of old socialist institutions and practices were strongly rooted in everyday life, and they were at their old places and cultural change had merely started. It was not only continuity. There were changes as well. Unemployment was a new experience for many workers and income differences had increased. Workers felt that their work had intensified and they has lost autonomy over their work. At the same managerial autonomy had increased, managerial power was clearly bigger than it was during socialism.

We collected the third survey data in the year 2007. Russian economy had recovered from the crisis. Vladimir Putin was the president for his second period. During the first decade of this Century, the Russian economy was growing rapidly. This was mainly due to high oil prizes. Unemployment declined and workers could buy more expensive consumer goods than before and travel abroad. This was the time of economic prosperity in Russia. In the working life, the change was slow. Work organizations rather followed the old pattern than made any radical changes. (see also Popova 2010.)

I shall first analyze the changes in the Russian labour markets from the Soviet times to the present. Secondly, I look at the types of work organizations and trade union affiliation. My focus is in the structuration of work organization. I shall analyze in a detailed way job autonomy and power resources of different class groups.

### **Russian labour markets before and after**

In recent decades Russian work life and the Russian labour markets are at the same time characterized by change and stability. There have been many changes since the collapse of the Soviet Union and completely new social relations have emerged through the introduction of market relations. We have seen the growth of entrepreneurship especially in the service sector and in agriculture but critics maintain that progress has been slow and that many practices and customs dating from the Soviet era are still persisting (Puffer & McCarthy 2011).

In the 1990s, Russia saw rising income inequality, and especially managers' earnings increased sharply while the wages of the working class stagnated. There was growing unemployment, and at the same time, the pace of work intensified. Employees suffered a decline in autonomy, while supervisors and managers gained increasing power and control (Melin 2002, 73). Today, Russian organizations remain hierarchic and authoritarian in their management styles, and employees have limited autonomy. Many researchers claim that all the strings in the firms are actually pulled by managers (Popova 2010; Puffer & McCarthy 2011; Gimpelson & Kapeliushnikov 2011; Fey & Shekshnia 2011). However, some studies argue that there is explicit movement towards "Russian management style" becoming more Western-orientated. A new generation of Russian managers are coming to the fore and they are open to change and have new knowledge and work experience in cooperation with foreign partners are (Koveshnikov et al., 2012; Balabanova et al., 2015).

Large organizations – both public like Gazprom and private like Severstal – are dominating the Russian labour markets. State owned enterprises continue to have a major role in economy. There are much less small and medium sized companies in Russia than there are in the Western Countries (Gurvich 2016). Most of the big private manufacturing corporations are owned by oligarchs who have very close relation to the Kremlin. Historically, company managers have wielded strong power resources in Russia, more so than their counterparts in the west (Clarke 2006; Blom et al. 2007). Quality of work life development has been sluggish in Russia, although some recent studies indicate that investment in management and management training has been stepped up with a view to modernizing management styles (Sarno 2012, Balabanova et al. 2015).

There are also strong notions about Russian work life that it is following the idea of historical path dependence. Work in Russia is often described as entrenched in customs and traditions dating back to the Soviet era (Puffer & McCarthy 2011). One such notion is the belief that Russian work life today is still characterized by blat, a reliance on personal favours and informal networks in the workplace (Liuhto 1999, 19). On the other hand, it seems that blat relations are nowadays more and more linked to social relations in the private sphere and not so to world of work. Especially in the Soviet era, Russian business management was highly paternalistic and authoritarian in style (Clarke 2004; Melin 2005), and even today it is suggested that Russian employees long for strong and charismatic leaders (Fey & Shekshnia 2011).

On the other hand, there has been a growing drive in recent years to modernize management styles in Russia (Balabanova et al. 2015). The Russian labour market is rigid inasmuch as employees cannot be easily dismissed and under normal cyclical conditions, there is only little flexibility in wages and working hours. On the other hand, the labour market is highly flexible in the sense that during periods of economic crisis, employees are prepared to exercise flexibility in wages and working hours (Gurkov et al. 2012; Kapelyushnikov et al. 2011). It is reasonable to assume then that Russian employees attach great importance to work and job security, so much so that they are prepared to make pay and working hours concessions to keep their jobs.

Natalia Bondarenko (2015) has analysed the qualification structure of contemporary Russian labour markets. Her focus is on the current and anticipated shortage of professional skills and qualities of workers employed by Russian firms. She analysed both generic skills and so called soft skills. Her overall evaluation is that the employers are satisfied with the current state of work force. There are situations where workers have qualifications, which are lower than required and situations where the

qualifications are higher than required. However, according to her analysis almost two-thirds of the Russian companies have a well-balanced structure of workers' skills and requirements. One quarter of the firms are found to have a deficiency of qualifications of their main tasks-performing personnel. Over qualification are found much less frequently.

In about half of the enterprises, requirements have been raised on the professional skills and knowledge of the work force during past years (ibid, 122-123). In these situations, it is most often the case that workers have failed to acquire new specialized knowledge, they lack the necessary skills to be retrained and master new things and they lack initiative. This concerns especially blue-collar workers in manufacturing industries and construction. It also turned out that small business was more adaptive and flexible compared to bigger companies.

What is then to be improved? Specialists of top qualifications lack behavioural skills. They cannot solve job tasks on their own and show initiative. They have problems in planning and organizing their time and they have to improve their ability to work with clients (ibid, 129). Qualified blue-collar workers lack sufficient skills of effective work. It seems that Russian firms are beginning to demand workers who are able to become adapted as flexible task performers and accomplish changing technical tasks (ibid, 132). In the near future, the Russian labour markets are facing increasing challenges with the quality of the labour force. This is not limited only to formal professional and vocational education. It is also linked to the fact that the population is not sufficiently engaged with continuous – life long – professional education.

Putin's period has brought new kind of stability and order into the male labour market experiences. Work is more regular, wages are paid and even the relation with employers akin to those prevalent in the Soviet period (ibid, 31). There seems to be more security than during past decades. However, the current economic crisis at the beginning of 2010's has brought the insecurity back (cf. Gorshkov 2017).

Soviet Union was an industrial society and industrial economy. The main goal of economic decision making was to enhance industrial production. Sociological studies on work started at the end of 1960's. Leningrad state university had a special laboratory where a group of young sociologists conducted concrete empirical studies among industrial workers.

In their classical study that was conducted over 50 years ago in Leningrad, Soviet sociologists (Zdravomyslov et al 1967, 1-2) state that man's attitude toward labour is determined by three factors. First is the socioeconomic structure of the given society, especially social division of labour and the social structure. Second is "the technological or functional peculiarities of the content of a particular concrete form of labouring activity. Thirdly, work attitudes are determined by the socially conditioned structure of the workers personality. Sociologists were interested in development of work attitudes. The basic question was, if there was a transformation of labour into a prime living need rather than merely a means to subsistence (see Yanowitch 1979).

## Results

### Economic sectors and type of work organizations

Soviet Union industrialized after the 2<sup>nd</sup> World War, before the war, in the year 1939, more than half the labour force was working in agriculture and one third in the manufacturing industries. In the year 1979 the share of industrial work force was 51% and only 18% were engaged with agriculture (Gordon-Nazimova 1986, 50). Today Russia is a post-industrial society. Almost 2/3 of the economically active population is working in the service sector.(See table 1.)

Table 1: Respondents by economic sector 1998-2015 (%)

	1998	2007	2015
Agriculture & Forestry	11	8	6
Manufacturing	14	15	11
Construction	7	9	12
Transport & Communication	13	10	9
Private services	18	26	33
Public services	36	30	29

Over the years, the development of Russian employment has followed the common European transition pattern. The share of agriculture and forestry has declined and the share of services has increased. For 50 years ago, about 25 % of all workers in the Soviet Union were engaged in agriculture and in forestry (Melin 1996, 52). Today only about five per cent are engaged in agriculture. The employment in the primary production is only half compared to the times 20 years

ago. During the same period, the share of private services has almost doubled. Manufacturing industries is going down but there has not been any dramatic changes. The same goes for public services.

Let us have a closer look what has happened in employment. (See table 2.) The most important feature is that the private employment has increased. In the year 1998 41% of the core middle class worked in public services, in the year 2015 the share was 28%. At the same time, the share for private services has risen from 28% to 37%. Among the margins of the middle class and the working class, the trend has been exactly the same. It is worth mentioning that the working class in the private services has doubled, from 15% to 30%, during the time of our three surveys.

Table 2: Type of Work organization (% all respondents)

	1998	2007	2015
State	61	44	41
Private	32	53	55
Other	7	3	4

The share of private enterprises have risen dramatically. Today it is five time more common to work in a private company than it was for 20 years ago. At the same time, employment in the state sector has declined steadily. This decline was bigger at the beginning of the decade and it has slowed down during past 10 years. The variety of ownership forms was much greater at the end of 1990's than it is today. The decline in state employment has been more dramatic in the working class than in the middle class groups. When we analyze the above table and our survey data, in general we must keep in our minds that job mobility has increased rapidly in Russia. In the year 1998, less than 10% had worked in their current work place less than five years. In the year 2015 about 65% of all respondents reported that they has worked in their current work place less than five years.

Relations between employers and employees can be friendly or hostile, or something between. The relations have changed over time however and the basic situation is stability. Respondents say that there is no big changes (see Appendix 1.). This opinion was shared by 2/3 of the respondents in the years 1998 and 2007. In 1998 there were more those who experienced that the relations had gone worse. In the year 2007 there were more those who felt that the relations had improved. The results

from the newest survey are interesting. A clear majority – over 2/3 of the respondents - had worked only a couple of years in their current work place and they had no experience about the change.

In the average core of the middle class has the most positive estimation on the question that the relations between employers and employees has improved over the years. Data from the year 2007 tell that all class groups have more positive picture about the situation than at the end of 1990's or few years ago. Core of the middle see the changes in most positive way. While the working class has experienced the most modest improvement. In the year 1998, all groups indicated relatively high figures towards negative development. Among the working class 1/5 said that the relation has recently worsened. The newest data tell about stability. Both negative and positive changes are very modest compared to previous surveys.

### Union membership

In the Soviet Union, all workers were members in trade unions. In the Soviet system, trade unions were an elementary part of the welfare system. Trade unions were state run and they were responsible for producing and distributing social services like vacations, health care or kinder gardens. All workers were members in trade unions. This kind of trade union system collapsed with the Soviet Union. Today trade unions in Russia are weak compared with most of the European trade unions. (Ashwin and Clarke 2002.)

According to Sarah Ashwin and Simon Clarke (2002, 86) about half of the employees were union members in Russia at the beginning of this Century. Recent developments indicates that unions have lost members during past years and currently. The Federation of Independent Trade Unions of Russia (FNPR) has indicated that they had over 20 million members in the year 2016. This means that about 1/3 of the Russian labour force is currently unionized in FNPR. Besides FNPR, there are several independent unions in Russia, which means that a bigger part of workers are unionized. More than half of the respondents in our survey said that they belong to a trade union (table 3).

Table 3. Member in a Trade Union (%)

	1998	2007	2017
Core	46	24	58
Margin	50	33	57
Working class	45	25	56

Total	26	27	57
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The increasing trade union affiliation may tell about three things. First, workers do not actually know what a trade union is. They may mix professional associations with trade unions. Secondly, it might be that unionization is increasing and there are new unions, which are not members in FNPR. Thirdly, workers have become more aware about their position. They join the unions in order to fight for better wages and social benefits.

Companies were key players in the Soviet welfare state. In Soviet Union, the companies – not the state - produced and organized most of social benefits and social services (Kotkin 1991). In the 1990's, company based social services collapsed. Economic crisis and emerging capitalist social relations caused huge decline in this kind of services. At the same time, the public sector could not provide new services instead.

The social role of the companies in Russia has been different compared with rest of Europe. In Russia, both domestic and also foreign owned companies offer several social benefits, as a method for increasing organizational commitment (Kozina 2010.) This has had an impact on labour markets. Workers have rather chosen to work in a company, which have provided e.g. holiday trips and housing rather than firms without these benefits.

## **Wages**

In a recent survey by the Levada Center ([www.levada.ru](http://www.levada.ru)) low earnings was clearly the biggest reason, which prevented the respondents from being happy. In the year 1994, more than half of the respondents in the Levada Center survey preferred to have a steady wage even if it was small but they had more free time and easier job and. One third chose to work a lot and to have a good wage even if there were no guaranties for the future. In the year 2017, the number of the those, who would choose higher wages had increased and those who would choose easier job had declined. Another study by Saari, Melin & Sippola (2017) revealed that for more than half of Russians pay is the most important thing in job, than job content. At the same study, only 2% of Russian employees think that job content is the single most important motive for work. These results indicate that materialist values are highly prominent in Russia. People's motivation to work seem to be therefore very instrumental.

The biggest motivation to work comes from the pay, not the content of the job says the sociologist Vladimir Magun (Magun & Rudnev, 2012). Another potential source for the instrumental meaning

of work is the absence of flexibilities in wages and working hours as well as the rigidities of dismissal procedures (Kapelyushnikov et al. 2011). Given the scarcity of formal social and unemployment security systems, wages are typically the most important source of social security in Russia. Indeed, people in post-socialist countries attach greater importance to wage employment than in the Nordic countries, where people value holidays, leisure and human relations more than work (Perceptions of living condition 2004, 42).

In the Russian working life, wages are playing much more important role than for example in Finland (Saari et al. 2018). Wages are not just for getting money to make once living. Wages tell about respect, honor and social position. What comes to wages Russian labour markets have been very flexible. At the end of 1990's, wage arrears were common, as were wages paid in kind. Today, once again some companies are using wage arrears as a mean to save money.

Wages and wages level is always a relative issue just like poverty. High or low wages does not tell directly about poverty, well-being or about quality of life. At the end of the year 2018, Russian average wages was about 560 euros (42 200 Roubles) per month. The official minimum wages was 7 500 Roubles (about 107 Euros). Compared with the Western European countries the nominal wages are low. However, we should remember that the living costs in Russia are much lower than in the west. Russia has a flat rate income tax and the income tax rate is 13%. However, VAT is quite high from the beginning of the year 2019 VAT is 20%. Official wages do not tell the whole truth about the incomes. Many Russian employers have a dual pay system. This means that part of the wages are paid unofficially in an envelope.

Of course, wages are important for all wage workers all around the world but it seems that in the Russian working life wages plays huge role. This not only due to the fact, that wages are in many cases very small or that that are wage arrears. In Russian working life, wages are important also for social identification and for honour. Ludmila Klimenko and Oxana Posukhova (2017, 5) state that, "(In) the course of professional self-determination, the vast majority of Russians of all generations paid most attention to the wage level." After the collapse of socialism, Russian firms have used massive degree of wage flexibility. Firms have used different methods like wage arrears, wage non-payment, payment in kind and the demonetization of the economy (Walker 2015b, 29). There are also huge wage differences between men and women. According to Russian statistics, women's earning were on the average 63% of male earnings at the beginning of the 2010's (Walker 2015a, 119).

Let us now have a closer look at wage differences between the class groups. In the following table, we present the wage index of all median incomes by class groups. Median incomes tells much more about the real differences in the wages than mean incomes, since the very high incomes plays a bigger role when we look at the mean figures.

Table 4: Wage index (all median incomes=100)

	1998	2007	2015
Core Middle Class	123	150	117
Margin Middle Class	109	117	109
Working Class	82	109	90

Table: Income index by classes 1998-2015 (Median index, all incomes=100)

There are substantial and persistent income differences between the class groups. Median incomes of the core middle class are much higher than incomes among the margins of the middle class or among the working class. The maximum index value of the core middle class in the year 2015 was 1124, while in margins of the middle class it was 899 and in the working class 779.

Between the years, 1998 and 2007 the situation in this respect remained quite stable. Our newest data indicates that the current wage distribution is more equal than in our earlier surveys. It seems that the incomes of the working class and the margins of the middle class are more close to each others than between the two middle class groups. Especially incomes in the working class seem to have increased.

Many Russians have second job to make the ends meet or to have better incomes for some other reason. In the year 1998 only six per cent had a second job, while in 2007 the figure was 16% and in 2015 about 10%. Core middle class has second job about two times more often than other groups especially the working class

In the year 1998, Russia was in the middle of deep economic crisis. More than half of our respondents told that their wages had worsened and about 20% of the respondents indicated that their wages had risen during past few years. Less than decade later 60% said that their wages had increased. In the year, 2015 had economic crisis hit Russia once again. In survey conducted by the Institute of Sociology at the Russian Academy of Science, only 16% told about better wages, at the same time less than 5 per cent said the wages had worsened (Gorshkov 2017).

At the end of 1990's, about half of the respondents indicated that there are no changes in their wages. Over one quarter said that their wages had decreased and only 7% told the wages were increased. After those turbulent years, the share of those who say wages have declined has collapsed, only few tell about this kind of experiences. At the end of 1990's, the economic crisis was experienced in every class group. About half (48%) of the respondents in 1998 said that their possibilities for higher salaries were worsened. In later surveys, this figure has dropped dramatically. In the year 2015, only 2% said the same.

There are clear differences between the class groups. Core of the middle say more often than the other groups that the wages have increased. The core of the middle has also had more possibilities to wage increases than other groups. The sharpest decline in earnings is experienced by the working class at the end of the 90's, in 2015 the differences in the experiences between the class groups were nominal.

### **Structuration of class situation at work**

There is a Finnish phrase saying that if work would be a candy, upper classes would have taken it all. In many European languages, the word labour (labor) comes from Latin, where it was connected with hard work done by the slaves. This connotation means that work is hard and there are different kinds of strenuous aspects that we have to face on daily basis when we are engaged with work.

Recent sociological discussions have emphasized that the positive – or the negative – aspects in the work seem to cumulate. There are good jobs and there are poor jobs. There more good things for those who occupy a position in the middle class compared with workers in precarious jobs. In his recent book, American sociologist Arne Kalleberg (2018) has claimed that liberalization of labor markets and welfare systems has caused the growth of precarious work and insecurity in the developed countries. Life is becoming more and more precarious especially for the younger generation. What is happening in this respect in contemporary Russia?

**Precariat.** “I don't really like tedious, monotonous work”, this statement was told several times to British sociologist Charlie Walker (2015a) when he conducted research on transition to adulthood among young working class women in St Petersburg. The post socialist period has brought much uncertainty for women in Russia. In the Soviet Union, working-class jobs enjoyed relatively high social status, in post socialism the situation has changed. In the Soviet Union, women were actively

working in different industrial jobs, in spite there were a clear division of labour between men and women. Young men trained typically in traditional male occupations, while young women trained in gender typical professions in services and in manufacturing (textile, food processing) industries.

Walker's analysis is based on qualitative interviews among young adults. His results indicate that in the post-Soviet Russia dominant representations of women have replaced the strong female industrial labourer with a softer femininity and increased individualism (ibid, 113). Young women have also realised that they should have higher education – vocational training is not enough - if they want to see upward social mobility. They also noticed that social relations matters. Only respondents from better educated, professional background were able to make upward mobility.

Walker (2015b) has also analysed the labour market experiences of working class men in post-Soviet Russia. Socialism provided very secure employment and relatively high social status especially for the male working-class. Emerging market economy and new kind of labour markets have hit hard the working-class men. Especially in the 1990's, the male working class was very badly affected by its inability to fulfil cultural expectations to act as main breadwinner. Life expectancy collapsed, alcoholism became a severe social problem and there seemed to be no realistic perspectives for a better future. 1990's could in this respect be referred as a chaotic period.

Table 5. The share of the Precariat in Russia and in the Nordic countries (%)

	Russia	Nordic countries
Middle Class	10	10
Working Class	20	24
Not in precariat	70	64

source: Melin and Blom 2015, 36

Charlie Walker's analysis suggests that precarious experiences among young adults has increased in Russia. Many Russians claim that the precariat is rapidly growing in Russia. We (Melin and Blom 2015) have conducted comparative analysis about the size of precariat in different European countries. Our work was based on European Social Survey data from the year 2010. In our empirical analysis, we used Guy Standing's (2011) definition about the precariat. The results indicate that in Russia, the precariat is not the issue. The number of people in vulnerable labour market positions in Russia is clearly smaller than e.g. in the United Kingdom. In Russia, less than one third of the

employed population were in a precarious position while in the UK the same figure was 50% (ibid, 34-36).

**Stress.** We have been interested in the structuration of class situation at work since our first survey in the year 1988 (Blom ed. 1991). About half of the respondents in each of our surveys have said that their current job is physically strenuous. The figure has been quite stable over the years. In international comparisons, the Russian figures are high. In Finland exactly the same measurement tells that about one third of all wage employees have experienced physical stress at work in the year 2003 and 2008 (Lehto ym 2015, 8).

Our previous studies have shown that there are remarkable differences between the class groups concerning the content of work (Melin 2002). The experience of the middle class differs from the experience of the working class. The differences between the class groups have been stable. The differences between the working class and the middle class have changed over the years only in small details.

In spite of the technological development, automation and new ICT, workers in Russia still feel that their work is physically strenuous. There are clear differences between the class groups and those differences have been stable over the years. Working class experience tells that work is physically hard (table 6). In every survey, more than half of the working class say that their work is often and almost always physically strenuous. The same figures for the middle class groups are lower. However, there is not any significant difference between the core of the middle class and the margins of the middle class.

Table 6: Current job is physically strenuous (% often) (1)

	1998	2 007	20 15
Core Middle Class	43	52	48
Margin Middle Class	42	51	48
Working Class	54	56	55
Total	49	54	51

(1) Often and almost always counted together

The Second aspect of strenuous work is dealing with mental stress. Empirical findings concerning the Western European countries indicate that increasing number of employees are worried about the

mental stress at work. Finnish results tell that about half of workers say that their work is mentally strenuous. These figures have been stable during past 20 years (Lehto et al, *ibid.*). In Russia, mental stress at work has increased (table 7.). The growth is close to 20% between the years 1988 and 2015. The figures are lower among the working class than in the middle class. It is worth to notice that the margin of the middle class tells that they have more mental stress than the core of the middle class. In Finland, these figures are the other way around.

Table 7: Current job is mentally strenuous (% often) (2)

	1998	2007	2015
Core Middle Class	39	43	37
Margin Middle Class	39	37	40
Working Class	31	26	33
Total	34	33	39

(2) Often and almost always are counted here together

**Job autonomy.** Job autonomy has been one of the big themes in sociology of work for decades (Thompson and Smith Eds. 2010). Job autonomy has also been widely used as a class criteria (see e.g. Wright 1978). Markku Kivinen's (1989) theory is heavily based on different types of job autonomy. Since our first study 30 years ago, we have analyzed job autonomy in every survey.

Sociological studies (e.g. Wood 1989) have shown that job autonomy has generally increased after the 2<sup>nd</sup> World War. There have been clear differences between the middle class and the working class concerning the job autonomy. Job autonomy has been and still is a class issue. It is dealing with power and control. Workers have tried to gain more power over their own work, working time or the pace of work.

Ideologically Soviet Union was a working class state where workers had strong legal protection. The workers had also large autonomy over their work. This was really the case at the factory or office level. Workers had a lot autonomy over the working time and work procedures. Part of this was due to the fact, that in order to keep the factory feels rolling workers were forced to use their skills and make their own decisions. Soviet economy was a shortage economy and there was e.g. a constant lack of spare parts in the companies. We called this as forced autonomy (Melin 1996). American sociologist Michael Burawoy (Burawoy and Krotov 1992) has shown that workers had very large autonomy especially with the working times.

Table 8: Job autonomy: Can use own skills (% , improved during past years)

	1998	2007	2015
Core Middle Class	32	56	15
Margin Middle Class	27	46	13
Working Class	10	30	6

Table 9: Can decide what and how to do (% Yes)

	1998	2007	2015
Core Middle Class	100	100	100
Margin Middle Class	89	66	67
Working Class	6	5	4
Total			

Table 10: Can decide when to come to work (% yes)

	1998	2007	20 15
Core Middle Class	32	32	22
Margin Middle Class	12	10	8
Working Class	6	4	3
Total	13	13	9

Table 11: Can decide own pace of work (% yes)

	1998	2007	201 5
Core Middle Class	67	62	46
Margin Middle Class	41	37	31
Working Class	22	21	15
Total	36	36	27

Our survey results clearly indicate that between the years 1998-2015 job autonomy has declined in all aspects and almost in all class groups (tables 8-11). This is especially the case in the working class and in the core of the middle class too. The difference between the class groups is very clear in the case of work assignments. In all surveys, everyone in the core of the middle class have has full

autonomy to decide what, when and how to do. Only about five per cent of the working class can say the same.

There is clear division in job autonomy between the class groups. In general, the core of the middle class has much broader autonomy than the marginal groups of the middle class or the working class. In all aspects, the resources of the working class are the lowest. In some aspects, the marginal groups are closer to the working class than to the core of the middle class. Job autonomy is clearly a class issue.

Has job autonomy really declined in Russia? My answer is yes and no. The economic rationale at the factory level was completely different in state socialism compared with current capitalist rationale. Compared with the Soviet times the control over the labour process for sure has increased. However, at the same time workers tend to be more critical with the current situation in respect with the past.

**Authority and decision making.** In this book, we are interested in social classes. In relation to work, we are interested in respondent's social position in the work organization. This means that we are interested in authority relations who is making the decisions concerning the work, production or services.

We have asked in every survey respondent's own evaluation of their position in the work organization and our Russian colleagues formulated the question. The question has eight answering categories: 1) Director, 2) Lower than director, but higher than department manager, 3) Department or shop manager, 4) Lower than department manager, but higher than shop floor manager, 5) Shop floor manager, 6) Ordinary worker, 7) Not applicable and 8) Hard to say.

Table 12: Position in the work organization 1998-2015 (%)

	Director	Middle manager	Department manager	Lower Dept manager	Shop floor manager	Worker
1998	2	3	4	5	9	74
2007	3	3	3	5	8	76
2015	2	4	5	7	8	74

What comes to organizational positions, also in this respect Russian work organizations have been very stable. In every survey, about 3/4 of the respondents have indicated that they are ordinary

workers. Almost 10% say that they are shop floor managers and the rest belong to middle management or to upper managerial groups. The share of directors is two per cent. If we look the distribution by class groups, we can make one interesting notion. In every survey only one quarter of the core middle class say that they belong to real management (3 highest groups), and almost half of them say that they are just ordinary workers. About two thirds of those belonging to the margins of the middle class say in every survey that they are ordinary workers. Vast majority of the working class (85%) say they are ordinary workers. About 15% of the margins of the middle class say they are in a managerial position, while the same figure for the working class was 3% in every survey.

The following tables show first, the development of supervisory positions in Russian work organizations. Secondly, they show what kind of power resources do the class groups have. The decisions deal with respondents` participation in hiring employees, wages, assigning work tasks, determining work load, decisions concerning products and investments.

A bit more than 20% of Russian employees work in a supervisory position. The share of supervisors has been stable over the years. Concerning supervisory positions we have also data from 1991 E.O.W Wright survey. In the 1991 survey one quarter of all respondents said that they have supervisory tasks (Melin 1996, 105). The results tell also that in the Soviet Union people in the working class positions had more often supervisory tasks than in Russian working life in the 1990`s or during the past decade.

Table 13: Work in a supervisory position (%)

	1998	2007	2015
Core	41	46	41
Margin	34	27	27
Working Class	12	10	12
Total	22	23	22

Table 14: Hiring employees (% yes)

	1998	2007	2015
Core	12	19	33
Margin	5	4	14
Working Class	2	1	11

Total	5	6	21
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Table 15: Participation in decisions concerning wages (% yes)

	1998	2007	2015
Core	9	15	67
Margin	4	2	6
Working Class	1	1	5
Total	4	5	13

Table 16: Assigning work task of subordinates (% yes)

	1998	2007	2015
Core	2	32	51
Margin	15	12	36
Working Class	5	4	34
Total	12	13	42

Table 17: Determining workload (% yes)

	1998	2007	2015
Core	33	36	50
Margin	20	11	34
Working Class	6	4	26
Total	15	14	39

Table 18: Participation in decisions concerning products or services (% yes)

	1998	2007	2015
Core	11	16	25
Margin	2	3	10
Working Class	1	1	4
Total	3	6	15

Table 19: Participation in decisions concerning investments (% yes)

	1998	2007	2015
Core	13	19	26
Margin	5	5	11
Working Class	2	2	18
Total	5	7	16

Only less than half of those who belong to the core of the middle class say that they are in a supervisory position. This means that more than half of them work in an expert position. Only a bit more than a quarter of marginal groups of the middle class are in a supervisory position. In the 1998 survey, the share was 1/3 but in the two latest surveys, the figures have been the same. About 10 % of the working class have subordinates. This figure has been stable during past 20 years.

Our results tell that organizational decisions and supervisory power is very centralized in Russian work organizations. It seems that even the core of the middle class has rather restricted power resources. It is the top management, which has the real power. However, it is important notice that the power resources of the core middle class have increased in all aspects that we have analyzed. However, their power is relatively restricted. More than 2/3 can make decisions concerning the wages of the subordinates but only one quarter can make decisions on investments. Only a minority – one quarter - of core middle class make decisions about products and services. We may conclude by saying that the core middle class is in a power position but their power is subordinated to top management.

A bit more than ¼ of those in the marginal groups of the middle class have subordinates and work in a supervisory position. However, margins of the middle class has virtually no power. Their power resources are limited to participation in decisions concerning work tasks and the workload of their subordinates. The position of the marginal groups and the working class does not differ in any substantial sense.

There is one important factor, which I should mention. Respondents who belong to the working class say that they can also make decisions e.g. concerning new employees or investments. I believe that the working class does not have this kind of power resources. Rather I believe that they discuss these issues at the shop floor level. However, they do not make the decisions.

Almost half of all respondents take part in discussion concerning the evaluation of work performance and results of the work place. One quarter has nothing to do with the evaluation and a

quarter is fully responsible for the evaluation. All in all, the decision making power of the core middle class has increased during past 20 years. In spite of this, their power is still very restricted. At the same, the marginal groups of the middle class and the working class take more part of organizational decision making but their possibilities are nominal.

## **Conclusions**

At the beginning, I proposed three hypothesis concerning the change in the working life. First, that in Russian labour markets the share of manufacturing industries will decline and services increase. There will be more precarious positions than before. Secondly, the wage differences between the class groups will increase. Thirdly, structuration of class situation at work will change. The job autonomy of the middle class will increase and in the case of the working class, it will decline. Power resources of the core middle class will increase and the power resources of the working class will decline.

My results indicate that since the collapse of the Soviet Union Russian labour markets have changed rapidly. Employment in agriculture and forestry has declined dramatically. The share of manufacturing industries and construction has remained almost the same. Most important new element has been the growth of private services. In the European comparison, the share of the precariat in Russia is very small (See Melin and Blom 2015, 34).

Wages in Russia have grown much since the economic crisis at the end of the 1990's. In Western Europe, we have seen the growth of income inequality. The wages of top managers have increased very much while the wages of the working class have been stagnant. However, this seem not to be the case in Russia. Compared with the year 1998 the differences in median incomes between the middle class and the working class has declined. All in all, pay is an important factor for employees in Russia. Our comparative analysis show that wages and employment play a bigger role for Russian employees than for Finnish employees (Saari et al 2018).

It seem that job autonomy has declined in general. It is important to notice that the core middle class say that they have less influence on their own work compared with the situation 20 years ago. The decline in job autonomy is systematic and in some aspects even dramatic. What comes to organizational decision making the power resources of the core middle class has increased but their power is still quite limited. Top managers have the final word. It seem that there is a systemic change in the relations between the employers and the employees, with the focus shifting to the

latter becoming even further disenfranchised. Organizational power is in the hands of few in the Russian work organizations.

In his recent book, the head of the Institute of Sociological studies at the Russian Academy of science and Academician Mikhail Gorshkov (2017) writes about the same thing. “The data provided above prompt us to conclude the following: the self-professed employers (as well as the so-called efficient managers) try to rebuild the domestic economy and overcome the typical issues of today at the expense of their employees, by increasing their workload and jeopardizing their social security at the same time.” (ibid., 34-35)

Gorshkov also analyzes the contemporary Russian society in the context of economic crisis at the beginning of the 2010's. As one part of the crisis, he discusses the world of work. On the basis of representative survey data, the author proposed that “(A)ll kinds of problems at work, first of all, a decrease in salary, became quite widespread among the population of the country by spring, 2015” (ibid., 16). His conclusion was that the most widespread form of influence of the latest economic crisis on the everyday lives of Russians was an increase in prices. Another “sore spots” was the increasing fear of unemployment. This kind of worries were more common in the metropolises like Moscow and St Petersburg than in the rural areas.

Academician Gorshkov proposes that the biggest problems are dealing with incomes, rising prices and fear of unemployment. In our survey, unemployment was not considered to be a big problem. About 20% of the respondents had experienced unemployment since the 1990's but they were not afraid of unemployment. In this respect, there are no differences between the class groups. Unemployment is not any big issue in Russia today. According to various comparative analyses, the unemployment rate at the end of 2017 was 5,1% and the trend has been declining. In the year 2015 the unemployment rate was 5,8%. What may be a problem is that high labor turnover in Russia is now getting combined with prolonged, stagnant periods of unemployment. (Gorshkov 2017)

The roots of contemporary Russian managerial and leadership structure and processes can be traced back to the Soviet era. Soviet corporate culture included the use of personal contact networks in informal activities (*blat*) as well as informal procurement networks (*tolkachi*) (Liuhto 1999, 15). The latter, however, had more to do with management's contacts and connections networks in broader society, not so much with the relationship between management and labour. The inner circle of business management that aimed to conceal and keep informal business activities under wraps (*krugovaya poruka*) remained largely an internal loyalty system (Liuhto 1999, 19). The *blat* system, by contrast, had a greater impact and influence on employees as well, as discussed earlier.

In the 1990s it seemed apparent that business management practices inherited from the Soviet era were continuing to have a major influence on post-socialist leadership practices. It looked like some features of “*management sovieticus*” such as irrationality, the overemphasis on production volumes, informal workplace practices and all-pervasive bureaucracy, were just refusing to die down (Liuhto 1999, 23-25). Likewise, employees of privatized, formerly state-owned enterprises seem to have it in their mind that these companies still have the exact same functions and social responsibilities in the post-socialist era, which was connected with a paternalistic and authoritarian management style (Clarke 2004; Liuhto 1999, 39; Nikula 1997, 131). Authoritarian paternalism has been a natural strategy to which both business management and employees could resort in the climate of uncertainty that followed with the collapse of the Soviet Union.

Comparative research (Hinz and Morris 2017) has shown that in Russia, the working class has historically had strong structural power resources but the opportunities to transform this into institutional power has remained limited. This is due to several reasons but one important factor is the high labour turnover. For example Volkswagen’s plant in Kaluga employs about 6 000 workers and an annual turnover of 1000 workers is not unusual (ibid., 105). Another reason is the fact that trade unions are weak in contemporary Russia. In the Russian case, neoliberal policies have not played so big role than in Western European countries.

The conclusion of the above discussion is that Russian work life does not differ significantly from what is considered the normal European way of organizing wage labour. Russian business practices, workplace relations and employees’ attitudes to work are closely aligned with Finnish views (See Saari et al 2018). However, the findings do highlight some differences between Russia and Western Europe. Despite these differences, it would seem there are more similarities. Further research is needed to explore in more detail the causes and consequences of the Russian working life. The contemporary Russian society is somewhere between traditions and modernity. Scientific and technical modernization is widely used, however at the same time the society strongly support and rely on traditions.

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## Appendix

Table 1. Relations between employers and employees (% worsened/imporvened)

	1998	2007	2015
Core Middle Class	14/22	5/29	1/10
Margin Middle Class	12/13	12/27	2/9
Working Class	19/5	8/20	3/6