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Executive Summary
Labor Politics in Post Communist Russia
(As of Mid-summer 1993)

Political problems of managing economic transition in the Russian Federation since January 1, 1992 have been complicated by persistent and near-insoluble issues in the area of labor politics, and organizational dynamics that have exacerbated these.

A government committed (not without some divided counsel and internal conflicts at cabinet level) to marketization and privatization confronts, among other forces, a true "survivor" organization of the old regime -- the Federation of Independent Trade Unions of Russia (FNPR) -- the lineal descendant of the old, party-dominated "official" AUCCTU trade union federation. Though accepting economic reform in principle, in both rhetoric and actions, FNPR has been a consistent critic of the government, pursuing with mixed success a brand of populist-obstructionist politics that, in combination with the demands of Russia's "industrial lobby," have forced government compromise in a number of areas.

Yel'tsin's government had hoped to regulate government-labor-employer relations through a "trilateral commission" -- a recipe with elements of Western "corporatism" in its design. Largely, however, the commission, which survives into mid-1993, has proven a cockpit of conflict, in which the "labor" side, dominated by FNPR representatives, has often as not made common cause with the employers, themselves largely the managers of massive state industries with a doubtful stake in Yel'tsin's brand of de-etatization and privatization.

Labor politics in the "new Russia" remains, then, an area of unresolved issues, still in search of appropriate structures through which resolution might be sought. It is extremely unlikely that this situation will last much longer. But it is also difficult to see any scenario of "breakthrough" wherein a once-again-reorganized Yel'tsin government pushes simultaneously on the labor and employer fronts to alter it drastically. Crisis seems to loom, whether one created by a hard line forcing plant closings and unemployment, or by an economic collapse as a result of government inaction -- which will bring similar results. The avoidance of such a crisis thus far is an uncertain guide even to the near future, as the government's room for maneuver lessens. While government, labor and employers may all "understand" that there is no going back to the old system, each in its own way finds important elements of the legacy of communism hard to discard. The business of "deconstruction" is not yet completed, the building of new institutions still in progress.
LABOR POLITICS IN POST-COMMUNIST RUSSIA
- A PRELIMINARY ASSESSMENT -

Walter D. Connor

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Mr. Sumin responds that he is for reform, but not of the variety that Mr. Yel'tsin preaches. "I'm against a chaotically accelerated transition to the market," he says. His top aide, Mr. Kosilov, outlines an alternative: "people oriented" reforms, including guaranteed jobs for all, high salaries, plentiful credits to needy factories, help to the elderly.

- Wall Street Journal, May 4, 1993, reporting from Cheliabinsk

Pyotr Sumin is the newly-elected (by the local Soviet) boss of Cheliabinsk; he has a rival, in Vadim Solovev, Yel'tsin's selected governor, but in early May 1993, Sumin seemed to hold the high cards.

One cannot generalize from Cheliabinsk to the whole of Russia—indeed one cannot generalize from any part of Russia to the whole without trepidation. Thus, the question of whether post-communist Russia's glass of economic transformation is half-full, or half-empty is as much a matter of observers' perceptions as of the precise measurement of "real" economic indicators. What to Sumin is a "chaotically accelerated transition" still falls far short of many elements necessary to stabilize and sustain a market: a currency that inspires confidence, similar commercial and property laws, budget constraints hard enough to put value-subtracting enterprises out of business, among others. Yet the earth has moved since January 1, 1992. Russia has felt the effects of decontrolled retail prices, seen substantial privatization of trade, services, and some smaller-scale manufacturing, and witnessed early phases of a division of the population into winners and losers, dependent on a myriad of individual and group characteristics that leave people more or less able to exploit the opportunities of a painful period of economic change. A "Schumpeterian
whirlwind of creative destruction," as Richard Ericson terms it, is under way -- it has not yet blown its entire course.

Where that whirlwind blows, ideas of "people-oriented" reforms, like those of Sumin's aide Kosilov, are bound to be popular. There is a conceptual as well as institutional revolution underway in the Russian economy, but current pains, and the "legacy" of communism -- to paraphrase Soviet-era terminology, perezhitki sotsialisma -- naturally dispose many to long for the guaranteed employment, good pay, enterprise survival the Kosilovs would offer as "reform."

Tensions -- between institutional heritage and institutional needs, between governmental visions of necessary change and governmental fears of "social explosion," between strong proponents of democratic-market reform (the core of the "old" Gaidar cabinet), centrists who advocate a strong state role in a (lengthy) transition (the "industrial lobby") and neo-communist and nationalist reactionaries (the NSF, Trudovaia Rossiia, etc.) -- have marked post-communist Russian politics since the outset. As it is in politics en gros, so it is in the arena of labor politics, the focus of this essay.

One of the subjects of labor politics -- the most numerous -- is labor itself, the 70-million-plus workforce of the Russian Federation, still heavily "tilted" toward the hypertrophic heavy industry sector. While there are real and critical differences within the labor force (and within its factory worker segment) of a psychological sort over "readiness" to cope with the disciplines and uncertainties of a nascent market, and differences in the survivability of the diversity of plants in which they work, all have been beneficiaries of the old "social contract," however tattered it was by the late Gorbachev period. The "interests" of much of labor, short-and medium-term, cannot but conflict


2As Gorbachev's reformist economic thinking advanced, aspects of the "social contract" came more and more under attack as major problems of the old economy. But the evidence is strong that fear of explicit violation of the contract constrained policy and its implementation (as opposed to rhetoric); see Linda J.
with much of the agenda of a reformist government, however much workers may give
general assent to a market-economy future. The difference between the pains of
transition, where those short and medium range interests are violated, and the promise of
the future, is one exploited by trade unions.

It is also a difference played to by employers. A heterogeneous category, and
likely to become more so as de-etatization and privatization processes work their way, it is
still dominated by the directors and managers of what are state industrial enterprises.
Long accustomed to a world of plan targets and state orders, to allocation of inputs and
government subsidizing of all financial operations, to a monopolist's plan - guaranteed
secure place in an economy of shortage, these find their practices and interests
counterpoised to those of a market-oriented government. To a significant degree, they,
like many workers, now acknowledge the 'inevitability' of economic change, and the
market -- the issue is the length, and nature, of the transition. Here, employer-labor
interests, for various reasons, may line up quite logically, one with another, in the state
sector: another complexity of labor politics, Russian-style. ( The "private" employers, as
an interest group of owners employing significant numbers of the "hired", are still too
small to figure as a major force -- though at present, on certain taxation and other issues,
their interests are not necessarily divergent from their state counterparts ).

Government is inescapably another subject, another "party" in the business of labor
politics. But it is a divided, confused player. Shifting the whole mode of rule toward
"democracy," the Moscow government has also found itself with less power to govern
than it needs for some of its objectives (something felt in the "autonomy" with which
many of Russia's provinces can and do operate). Beyond this, government is "divided" in
policy and procedural terms. A prime objective of the Gaidar - led reformist cabinet
through mid-1992 was to end the government's role as the all-proprietor, all-employer,

Cook, Soviet Regimes, Workers, and the Social Contract (Cambridge, MA: Harvard University Press,
forthcoming).
all-paymaster. Developments since then, with exits from the cabinet and entrance by elements of the employers' "industrial" lobby, have complicated matters: echoes of early-1992 "shock therapy" mixing with the different sounds of "managed transition" and "preventing the collapse of production." The extrication of the government from the primary role in the economy could not be performed all at once, to be sure: the real issue, with profound implications for government's future status as player or referee (or the balance to be struck between these two roles), is whether, and what kind, of gradualism can move matters decisively in this direction.

What follows, after a brief review of the general political-economic state of play as of early May 1993, is an attempt to deal with some of the major issues involving labor, employers, and government in the post-communist period, focusing especially on trade unions, and on the government's first attempt to regulate the multiple problems of early-phase transition through a consultative mechanism bringing the three sides together. The essay concludes with some general thoughts on the relevance of what has become a major governmental "weapon"—privatization— and on the possible future(s) before an economy seemingly equally pained by the burden of past inheritance and the daunting problem of finding mechanisms to cope with those pains in the context of an unprecedented transition. Under the heading "USSR" was created, with great effort, the world's first non-market-based industrial civilization; moving away from that civilization is a process equally arduous.

Moscow, May 1993

Majorities of those who turned out for Russia's April 25, 1993 referendum voted as liberal reformers had hoped, "da, da, nyet, da," expressing support for Yeltsin as president, for his economic policies, rejecting an early election for the presidency, and backing one to replace the current parliament.
In the muddled Russian political/constitutional situation, no automatic consequences could follow. Voter approval put no "big stick" in Yel'tsin's hand, voter disapproval of the parliament could not force new elections on any accelerated timetable. The anti-Yel'tsin forces and foes of reform who dominated the Congress of Peoples' Deputies refused to treat the vote as meaning anything. On May 1, violent confrontation between police and protest marchers from various neo-communist and nationalist groups, anti-democratic and anti-reform, escalated street tensions to levels not seen since August 1991. A politics already strife-ridden threatened to turn uglier.

The background provided by spring economic indicators, too, had its ambiguities. If not so grim as it might have been, the economic picture, when juxtaposed to unruly, venomous presidential-parliamentary politics, had prompted the G-7 nations to support the president with a $28.4 billion aid package in mid-April. How much Russia could draw on depended on its fulfillment of a number of conditions requiring toughness and discipline: the lack of such in 1992 had made that year's similar package largely a non-starter.

Industrial production continued to fall: the specific numbers matter less than they might, excluding unreported production of various sorts, while including the output of value-subtracting factories better closed on strictly economic grounds (one of the areas where the "conditionalities" of Western aid set the bar rather too high for the Yel'tsin government to clear). Inflation moved along at a rapid clip, against calendar 1992 price rises of over 2000 percent: for the four months December 1992 through March 1993, retail prices had risen 27, 27, 25 and 17.4 percent respectively. Average wage growth, after hitting 52 percent in December, tailed off to (-2.4), 15, and 17 percent in the three months of the first quarter of 1993.3 The troubling wage-price spiral continued, with the numbers indicating increasing retail misery for many.

The credit and money-supply situation, so critical an index of discipline, looked confused as well. Through 1992, the Gaidar "core" of the cabinet had never gotten money and credit under control, lacking as it did control of the Central Bank and its head Gerashchenko. The credit flood of 1992, bailing out the enterprises which continued to operate while running up massive networks of "credits" and debts, had in the end not really been resisted by the government. Even the marketeer Aleksandr Shokhin, on his way out of the labor minister post in June, 1992, allowed that credits "had" to be allocated to preserve enterprises and prevent "tens of millions" unemployed, when the government lacked resources to accommodate more than 3-4 million jobless.\(^4\) Government financial discipline continued to war with enterprise hunger (and an indulgent bank) in 1993. On April 10, Finance Minister Fedorov announced an agreement that second-quarter credits would not exceed first-quarter by more than 30(!) percent--but two days later Gerashchenko cited money-supply growth targets April through June at 18 percent monthly.\(^5\)

Given this failure to gain control, unemployment was, by market economy standards, much too low, though rising and emerging as a politically volatile issue. No wave of bankruptcies and closures had come in 1992 to put workers into the street and on to the support of a (new and primitive) unemployment system. Russia had begun the post-communist era with about 70,000 registered as unemployed, and saw this number grow to 200,000 by mid-1992. By April 1, 1993, the "registered" figure was 730,000 with the state employment service estimating another 1.5 million working short hours or on unpaid furlough. The labor ministry's estimate of total unemployed (registered and unregistered) was in the 4.5-5 million range.\(^6\)

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\(^6\)See ibid, p.4; for 1992, see RFE/RL Research Report, May 8, 1992, p.46. citing ITAR-TASS, April 23; ibid, July 31, 1992, p.58. citing Izvestiia, July 16, 1992
The government that confronted these figures was not really the same one that had begun 1992. The "Gaidar" cabinet, with the Minister of Finance and later acting Prime Minister backed by Aleksandr Shokhin as Labor Minister, Anatoly Chubais in charge of privatization programs, as well as other convinced reformers, had for a time enjoyed Yel'tsin's full backing. By mid-1992, falling production and other ripple effects of shock therapy had generated resistance from the "industrial lobby" sufficient that three of its representatives -- Vladimir Shumeiko, Georgi Khizha, Viktor Chernomyrdin -- were added to the cabinet.

Read variously as "capitulation" to the make-haste- slowly industrialists, or as a compromise dictated by the impossibility of governing without some understanding with the "centrists," the new cabinet configuration did not in the end signal any radical change of course: the government was already temporizing on biting bullets on any case. By fall, with the Yel'tsin-Khasbulatov, president-parliament fight heating up, and economic indicators worsening as the government pushed Chubais' voucher-privatization program to make economic change irreversible, issues assumed sharper outline. At the December Congress of Peoples' Deputies, Gaidar was "sacrificed," and Chernomyrdin named Prime Minister.

Chernomyrdin first confirmed fears, signing off on a decree that sought to put a cap on prices indirectly via profit controls. This move, threatening shortages and black marketeering, was greeted with alarm and criticism by many reformers, including new deputy prime minister and finance minister Fedorov, a marketeer returned from the World Bank. Chernomyrdin then reversed himself, and for a while spoke the language of financial constraint. But in the run-up to the April referendum, he would cross swords with Chubais, denouncing the privatization program well under way (and being resisted by the local elites in several cities) as a process akin to Stalin's bloody agricultural collectivization campaign of six decades before.
Yel'tsin, in the immediate prelude to and aftermath of the referendum, seemed to drift away from the very economic policies he was asking approval for in "question 2". The appointments of two more deputy prime ministers, Oleg Lobov and Oleg Soskovets, seemed to augment the industrialist faction. Yel'tsin talked approvingly of more "support" for state enterprises and issued a decree on workers' rights on April 21, that provided for administrative limits on "permissible" unemployment levels, and topping-up of reduced wages for those on short time. Added to statements on to the need to index savings accounts against inflation, and a softening of earlier resistance to raising the minimum wage once again (a wage raised to parity with the minimum pension level of 4,275 rubles monthly, which became effective February 1, 1993 -- a year earlier, it had been 410 rubles), these were moves not likely to reassure those who would encourage Yel'tsin, after his referendum victory, to "seize the day" and move ahead with measures which, while unpopular, would not be less so if delayed.

But early May saw, as well, other hints and rumors -- that Yel'tsin was preparing a number of moves to solidify a reform cabinet once again, then pursue policies to match. Involved here, inter alia: dropping Chernomyrdin as Prime Minister, to be replaced with Shumeiko, who among the "industrialist" additions of spring 1992 had cleaved closest to Yel'tsin and reform policies; then with a new premier in place to provide protection, bringing Gaidar back as finance minister, and, as this would release Fedorov from the post, sending the latter to take over the Central Bank, forcing Gerashchenko out.

Was Yel'tsin compromising, moving slowly toward the "center?" Or was the first quarter of 1993 a prelude, "buying time" for a return to Gaidar-type policies? Whatever the answer, it would be important for the realm of labor politics, and the actors in it. To them we now turn.

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Trade Unions: Survivors and Newcomers

With the time rapidly moving toward the April 25 referendum, Boris Yeltsin had gotten the backing, at an April 19 meeting, of an assembly of "independent trade union leaders." About thirty unions, none of them associated with the "Federation of Independent Trade Unions of Russia" (FNPR), were represented at the meeting, which asserted support for the President and the need for an early legislative election (and thus, by implication, the end of the Congress of People's Deputies). Miners, metallurgists, aviation and transport workers' unions were all part of the meeting -- all offering programmatic support for privatization and other Yeltsin measures, and -- according to a not-unbiased source -- representing over five million members.

The next day, Igor Klochkov, head of the FNPR, mocked the "mythical five million" figure, and reminded Yeltsin that counterposing independent unions (with, as he put it, a "several tens of thousands" membership -- also a not-unbiased number, this time on the low side) to his sixty-million plus membership underrated FNPR's importance. It was one more instance of the opposition of two poles in the unsettled world of post-communist labor in Russia, and in the confrontation of a remarkable "survivor" organization and newcomer unions offering a challenge to it.

How labor politics have "evolved" (and they have not, on the whole, evolved far) in post-communist Russia points up some important aspects of the "legacy" of communism. Despite economic changes, the state remains the major employer. Despite political changes of monumental scale, one massive "old" union structure survives in Russia, along with labor organizations of undeniably independent provenance that trace

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11 ITAR-TASS (English), 1605 GMT, April 20, 1993; FBIS, April 21, 1993, p.28.
their origins back to the late-1980's beginnings of the USSR's terminal crisis.

Understanding the "present" of 1992-93 thus involves a certain amount of prehistory.

The massive mine strikes of July, 1989, paralyzing the coal fields of the Kuzbass, Donbass, Karaganda and Vorkuta, demonstrated (to those who needed any such demonstration), and even more importantly dramatized on the national stage the bankruptcy of the All-Union Central Council of Trade Unions (VTsSPS, AUCCTU) as a defender of workers' collective interests. Four years into the Gorbachev era, things were changing. The strike wave evoked new rhetoric from the then-AUCCTU head, Stepan Shalaev, who had earlier in 1989 (in response to frequent, but smaller strikes in the spring), criticized the supine stance of the unions vs. management and the state, and defended workers' aspirations, if not their proclivities toward striking.12 Now, in Kemerovo in the Kuzbass, he avowed AUCCTU support for the miners13, and later admitted to Pravda that, "since V.I. Lenin's death"14 [1924!] the unions had been subordinated to the party. This rejection of "transmission belt" status of the unions became a constant refrain of AUCCTU leaders, after a half-century and more of precisely that.

However, caught flat-footed by the coalfield militancy, and seeming too much a late convert to combative unionism, Shalaev gave way in April, 1990 to a new AUCCTU head--Gennadi Yanaev (who would, as Soviet Vice-president, "front" the August 1991 coup attempt). The scenario, at the union plenum, involved the resignation of Shalaev; the nomination of four potential replacements; the resignation of three, leading to Yanaev's "unanimous" election--all in 33 minutes--and his delivery after a 10 minute break of an hour-long speech to the assembled unionists.15 It was a less than convincing demonstration of union renewal, of democratic procedures.

While the year 1990 was not one to match 1989 in labor militancy, it was a peculiar one for the AUCCTU. Yanaev departed in July 1990, elected a Politburo member--by then an office of much diminished status--and CC Secretary at the 28th CPSU congress. The union's "number two", V.P. Shcherbakov, served as interim chair pending the October-scheduled 18th AUCCTU Congress. At that congress, the AUCCTU "dissolved" itself, and simultaneously voted its rebirth as the General Confederation of Trade Unions of the USSR (VKP), with Shcherbakov as head. To some degree this was simply the inertia of an organization which was the automatic recipient of large sums in members' "dues," the proprietor of sanitoria and newspapers, and still the government-financed "agent" for various welfare functions. It also signaled recognition of the progressive weakening of the old USSR central structures in politics. While various independent unions had been founded in the wake of the 1989 strikes, the new unions, generally small and uncoordinated, showed little tendency to affiliate with the "new" VKP. The latter's major component was itself a new organization, of prime concern in this essay. At a fall 1989 AUCCTU plenum, a Russian Republic trade union organization (lacking before, as had been an RSFSR communist party organization) had been created, the earlier-noted FNPR, with its base the 76 million RSFSR workers hitherto "unrepresented" by a republic-level union body.16 It mirrored in its structure the "old" AUCCTU.

Both VKP and FNPR took, in 1990 and 1991, increasingly combative stands "for" the workers, and against the tougher projections of reform policies (which saw in any case virtually no implementation in these years), while at the same time drawing toward an acceptance of the market's "inevitability". This meant criticism not only of the economic "radicals" of 1990-91 and their ideas, but also of the "stabilization" plans fronted by Prime Ministers Ryzhkov and Pavlov, and union demands for maximum efforts to limit unemployment, for maximum compensation for the increased living costs engendered by

16TASS (English), 1723 GMT, Sept. 6, 1989; FBIS, Sept. 7, 1989, p.70.
state price decontrol (whose first phase came in April 1991), for the recognition of even broader trade-union rights. The FNPR, simply, wanted "more;" the government should pay. So went "union politics" up to the August coup attempt.

And so, in many ways, have they continued since in Russia. The CPSU is gone, the USSR, with its ministries, state committees, Supreme Soviet is gone. But the structures of old, "official" trade unionism remain. The persistence of these institutions, "toothless" as they or their predecessors were only 3-4 years ago, is at first glance remarkable. But it is also part of a pattern: the old official trade unions have persisted in much of Eastern Europe as well. 17 Thus, in the post-Soviet phase, the FNPR survives in Russia. (The VKP, persisting at least as an organizational "husk," has been engaged since late 1991 in attempts to turn itself into an "international trade union center" to coordinate labor issues across the ex-republics. Given the similarity of certain labor problems, this is not completely illogical. But, given the divisions among the states, their differing roads, and the ephemeral nature of CIS political structures, it has not achieved much. 18 ) FNPR survives for several reasons, specific and more general. First, it has not been dispossessed of its funds or welfare functions. Second, it has taken a "logical" (and opportunistic) line in the current tense situation—to talk, and act, pro-worker, and pro-strike. Third, the various independent unions and federations of such that have grown, since 1989, into a more and more important force, have not yet managed to displace the FNPR unions, however much independent union leaders may distrust the "holdovers". Nor, of course, are those holdovers anxious to give up their powers, their organizational resources. In a peculiar way, the old, formally independent juridical status of the official unions (as neither

state nor party organs\textsuperscript{19}), became real in the process of the Soviet collapse, though they hardly played a major role in precipitating it.

Contemporary Russian labor politics are still to a degree rooted in the last 7-8 months of the USSR's existence, in Russia's emergence as a "secessionist" republic in 1991, and in the emergence of Yel'tsin as its prime political personality. Yel'tsin, as Russia's first popularly-elected president, evoked both cheers and concerns with his July 1991 de-partyization decree, aimed mainly at getting the CPSU out of factories, enterprises, etc., but couched in broader language. Earlier, FNPR had hailed Yel'tsin's election, but demanded attention to the "social protection" of workers and the economically vulnerable. It presented itself as a cooperative element in the new Russian political picture, but also as a "constructive" opposition.\textsuperscript{20} On the heels of the decree, banning activity of "political parties and mass public movements" in state enterprises and organizations, Yel'tsin and his team made haste, in response to union protests, to assure VKP and FNPR that trade unions and their activities were not covered by the ban\textsuperscript{21}. Yel'tsin met with Klochkov of the FNPR on July 25, with Shcherbakov of the VKP on July 30\textsuperscript{22}, with further reassurances. Still, they expressed fears that unions might be deprived of rights vs. employers in the move toward privatization of the economy—worker rights in managerial elections had already been cut back since the State Enterprise Law of 1987. Yel'tsin in response once again affirmed unions' rights, but also suggested they "get accustomed" to the word "employer", and to dealing with such people;\textsuperscript{23} an intimation of hopes that the government could gradually shed the employer role itself.

\textsuperscript{19}To the AUCCTU's independence from governmental bodies, Jerry Hough, some years ago, ascribed perhaps excessive significance; see his "Policy-Making and the Worker," in Arcadius Kahan and Blair Ruble, eds., Industrial Labor in the USSR (New York: Pergamon, 1979), p.383.


\textsuperscript{21}Pravda, July 24, 1991, p.2.


\textsuperscript{23}Izvestia, August 12, 1991, p.1.
The August coup came, and failed. If Yeltsin's call from Moscow for a "general strike" did not evoke overwhelming support, VKP and FNPR did protest the coup, though they avoided issuing a strike call. The unions had, at least, passed the test of not backing the coup. The VKP organ *Trud* reviewed its own performance during the coup, gave itself high marks, and announced that it had dissolved its own party organization.

With the onset of autumn, the unions' focus returned to matters economic. Wage indexation in the face of rapidly rising prices, minimum income legislation, collective bargaining rights and general labor protection were recurrent themes. The FNPR announced "unity of action" days for trade unions for 21-26 October, to press the Russian government toward meeting union demands, and threatened a one-hour strike for November 13 if demands were not met.

In October the VKP appealed to Russian and other republican governments for action establishing a minimum "market basket" for each republic, and a keying of wages, pensions and allowances to the cost of the basket. Admitting that the "sick economy" might find this difficult, it insisted that such measures "must be implemented." Yeltsin on October 16 promised "consultation" with the FNPR and other unions before his government took any major social/economic policy action. But he also found reason to accuse FNPR of being "monopolist" in the manner of the old AUCCTU.

In the final weeks of the USSR, then, unions were asking for more protection from economic pain and the disciplines of the market mechanism than governments could afford. Nor could those governments afford total denial of such demands. It was the end of an era, the end of a system. Neither government nor unions had yet mastered a language to fit the times. An assembly of leaders of branch trade unions made the quite

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25 Trud, August 23, 1991, p.1
logical point that forthcoming price liberalization, without demonopolization, would raise prices but hardly guarantee more supplies, and reasserted its by-now standard set of protection demands on November 1, without offering any concrete notions of how they might be met.\textsuperscript{30} November 13 saw a swan-song meeting between Gorbachev and union leaders wherein VKP leader Shcherbakov spoke of the risk of "masses driven to despair by falling living standards [coming] out into the streets". Gorbachev, looking backward, criticized the union for not backing with sufficient force the "economic treaty" that might save something of the old USSR.\textsuperscript{31}

Some indication of Yel'tsin's developing post-Soviet concepts of union-government dealings came in a Russian government decree on November 15 on "social partnership."\textsuperscript{32} Welcomed by Klochkov of the FNPR as an important move toward meeting the unions' demands of the October "action days",\textsuperscript{33} the decree envisaged cooperation between government, unions and "employers" (regardless of the "form of ownership") on setting wages and other conditions. The vehicle for this cooperation would be a "trilateral commission," in which the three sides would meet. Unclear at the time,\textsuperscript{34} however, was how the "sides"—at least, employers and the unions—would be constituted. Who had a right to a seat at the table? Was the FNPR to represent "labor"? If so, what of the independent unions, especially the militant Independent Union of Miners (NPG), contemptuous of the FNPR-related unions? Who would represent "employers" vs. the state and labor, when the state was still the main employer? These were hard questions, and the answers would satisfy no one.

FNPR activity in 1992 can be traced by the reader for the most part through the following section, on "trilateralism" and the corporate approach to labor relations.

\textsuperscript{32}Text in Rossiiskaia gazeta, Nov. 19, 1991, p.2.
\textsuperscript{33}TASS(Russian), 1502 GMT Nov. 18, 1991; FBIS, Nov. 19, 1991, p.61.
\textsuperscript{34}See the partnership decree text in Rossiiskaia gazeta, Nov. 19, 1991, p.1.
Looking at it as a major—indeed, the major, survivor organization of Soviet times, however, some further comments are best made here.

The FNPR remains huge—the 60-million figure Klochkov gave in April 1993 was not a numerical exaggeration. A major "defection" in late 1992 involved the two-million strong miners/metallurgists union, in an acrimonious split, with FNPR accusing the union of playing politics and cozying up to the government, while the union criticized the FNPR for a too-predictable anti-government stance that left little room for the interests workers in this branch had in privatization.

Why do workers remain in the FNPR-affiliated unions? A June 1992 report of a study cited 36 percent remaining out of "habit," and another 32 percent seeking the various material benefits that might come to them through the trade unions' old distribution system in a time of "total shortage". Such people would, according to the author of the study, be the first to answer strike calls in defense of the "pseudosocial guarantees" of the old system—but also the first to leave when shortages were over. That 96 percent of FNPR union members in mid-1992 did not plan to leave did not mean strong, affective loyalties. Some belonged as well to other independent unions in the same workplace (though this is less likely in radicalized sectors like coal mining, that gave rise to relatively strong independent unions). Claims that "80-90 percent" of the pre-1992 membership of FNPR unions still remain (a figure cited in August 1992) were probably not far off the mark.

The times, after all, remain very uncertain. If it is not the time to "join" new organizations (and despite the proliferation of groups claiming the status of "fronts," "parties," "movements," etc., all seem vague about their memberships), neither is it necessarily the time to leave old organizations. Union membership came with one's job.

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35 See the coverage of this defection in Rabochaia tribuna, Nov. 6, Nov. 27, Dec. 11, and Dec. 15, 1992.
The "bite" after all is only one percent of wages. The official unions were the traditional channel for pensions, housing lists, and other welfare benefits. Plants that refuse to maintain the dues "check off" may precipitate defections from union membership, but there is, overall, an "inertial" factor in membership.

Nor, really, for many workers who seek an "organized" defense of their interests, may there be real choices evident, other than FNPR. Independent unionism is still relatively weakly developed in many sectors and branches. Political parties are weak, on whatever side of the spectrum they locate themselves. While various "parties" have been founded since 1990 that claim the mantle of workers' defense, from (Marxist)-socialist but anticommmunist all the way to neo-communist 'successors' to the CPSU, "politics"--executive and legislative--has not really assumed a shape that allows the stabilization of any party spectrum, or a uniting of particular constituencies with particular party labels. Nor have obviously reactionary movements engaged primarily in rhetoric and street politics (like Viktor Anpilov's Trudovaia Rossiia, linked to the "Russian Communist Workers' Party") really attracted, it seems, the allegiance of any significant portion of workers. That some 14 percent of FNPR members, then, see the union as the last available defender of workers' interests, may be testimony to its familiarity as the only old organization still represented on the factory floor (the Komsomol and CPSU after all are gone), and to the "underdevelopment of civic culture," but it is not the oddest of a set of "odd" realities.

Weak affiliation with the FNPR means, as well, that despite its millions of members, the union leadership cannot claim a strong hold on them, or the ability to deploy them in strike actions. FNPR deputy chairman Vasili Romanov, in an October 1992

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38Rossiiskaia gazeta, June 4, 1992, p.2.
39The Russian political party spectrum, even as it relates only to specific issues of labor politics, would require a whole essay on its own; the picture is so inchoate and confusing that such an essay might provide little by way of enlightenment. (In an earlier draft of this chapter, I devoted seven manuscript pages to the topic--too much, and not enough.)
40Rossiiskaia gazeta June 4, 1992, p.2.
interview, claimed that one-third of his membership was ready for an all-Russian strike if demands were not met by the government: a rise from only 6 percent declaring themselves so militant in an earlier (August) FNPR poll. How he had ascertained the implied rise in militancy was unclear, as were any thoughts prompted by evidence that some two-thirds were still not ready to strike.41

Still "tough" in rhetoric, conflictual in its relations with the independent unions, prone to accuse breakaways like the mining and metallurgy union of (somehow corrupt) political motives while highly politicized itself, FNPR finished 1992 and moved into 1993. It still defended its old prerogatives, Klochkov on December 25 asserting that "logic and facts" supported its retention of its "self-managing social security fund" in the transition period.42 Increasingly though, defection—organizational and individual—looked like a future trend. A long article by a former worker activist and "assistant to the Chairman, FNPR"43 accused the union of inflating participation figures for the October 1992 protest days from 200,000 (his estimate) to the "official" 2 million. "I was convinced that FNPR is not a trade union, but some sort of political party of the former nomenklatura." The government, and no doubt most independent unions, especially those that trace their roots back to the same 1989 that saw the political and social bankruptcy of the old AUCCTU, would have agreed.

Corporatist Formula: The Trilateral Commission

What has become a standard formulation in discussing post-Soviet affairs—that "old institutional structures have been demolished; new institutions, fit to the tasks of establishing stable democracy and a functioning market economy, are yet to be created" (or some such)—fits labor politics as well. In this case, an important part of "the story thus far" is that of a new institution, a product of the post-Soviet era in Russia, aimed at

43 Trud, Nov. 21, 1992, p.6.
regulating labor problems, but ill-fit to do so. While not quite an autopsy—for the institution in question was re-chartered in early 1993—it is surely a lesson in the strength of both structural and psychological "legacies," or to use Millar's term, "aftermaths" of the old system.

The organizational expression of the November 1992 Yel'tsin commitment to social partnership, and bearing the stamp of some policy thinking by labor specialists\textsuperscript{44}, the Russian Federation's "trilateral commission for the regulation of social-labor problems" began operating in January 1992. The general design was logical: government, "business," labor to meet (weekly) to manage the conflict potential of a difficult transition to the market under the economic crisis conditions created by the free-fall of the Soviet economy in 1991, which the new Russian government had inherited. A corporatist design, of "benign" variety: West European social-democratic precedents argued for it, vs. the governmental "hands-off" style of U.S. labor politics. Given Russia's history of hyper-statism, as well as the crisis situation, it would have been hard to see government out of the matter, in any case. But, given the specifics of the situation, and how these still, in early 1992, differed from any kind of market economy, it was hard as well to see how it might work successfully. The experience with "trilateralism" can be divided into the early phase—until, roughly, mid-1992 and the entrance into the cabinet of the "industrialists"—and the period since. Some main elements of the earlier period emerge clearly.

First, the commission presided over a degree of (relative) labor peace, striking in the light of worst-case expectation about public reactions to the new policies of 1992. But this had little to do with any procedural regularization the commission imposed. Despite the tough talk of the Gaidar team, despite Burbulis' warnings that the government would resist "unreasonable demands"\textsuperscript{45}, the commission became a venue for huge

\textsuperscript{44}Labor specialists were aware of the difficulties associated with the "connectedness" of the three sides, however; see L.A. Gordon, E.V. Klopop, "Trudovye otnoshenia: k trekhstoronnemu sotsial'nomu partnerstvu," Polis, nos. 1-2, 1992, pp.167-177.

\textsuperscript{45}Radio Mayak (Moscow), 1880 GMT, Jan. 24, 1992; FBIS, Jan. 27, 1992, p.35.
concessions on wages, to militant workers in critical industries, rather than a regulator of their demands.46

Actors on the government side were at pains to distance the commission from the "government" per se. When a massive strike in the Kuzbass coalfields threatened in mid-March, then labor minister Aleksandr Shokhin advised a commission delegation being sent to the area to show "toughness"—and asserted that the government was not a "fire brigade."47 When the commission then hosted, in Moscow, a delegation from the area, Burbulis asserted that the commission, not the "government," was acting as arbiter.48 But this was not really the case: the government still, necessarily, sat on the "business/employer" side of the table as well.

Nor did the new organizational context regularize union politics. There was much posturing, especially from the FNPR; and no evidence that labor had become united (although to count this as an objective of the commission's architecture may be to miss the point). FNPR was critical of the first draft of the 1992 "social agreement;" refused to sign the final version (reached in the commission on March 25), delayed with some fanfare, until "consultations" were completed, and then signed April 3. The FNPR had thus demonstrated its "independence" by withholding the signatures of nine of the 14 representatives on the labor side, (the Sotsprof, a quasi-union generally supportive of Yeltsin, then commanded three, the independent miners' union--NPG--one, as did FPAD, the union of the air traffic controllers). Conflict between the latter unions, especially Sotsprof, and the FNPR elements, was more typical than not. Politically, the independents generally supported the Yeltsin government, and dealt with matters of economic policy disagreement in pragmatic terms. FNPR accused the Sotsprof of being

49Rabochaja tribuna, March 7, 1992, p.3.
the Yeltsin government's "tame" union. But earlier, the FNPR had seen no reason any other unions should sit on the commission, and tried to maintain its monopoly of facilities, resources, social welfare functions. Independents argued for redistribution of these resources, notably the NPG. FNPR had also tried to retain a monopoly on plant-level negotiations, backing a regulation that the largest union organization in a given enterprise would negotiate and sign agreements on behalf of all the workers. Sotsprof fought this, and won, depriving FNPR of its ability to preempt other unions.

The motivation and rationale of labor protest and strike actions also afford a great deal of room for intra-labor squabbles. The March strike threats in the Kuzbass region, launched by FNPR affiliates mainly outside the mining sector got no support from the local (mainly miner) independent unions. These characterized the former "official" unions as the "last bastion of reactionary communist forces," aiming their strike threat at the Yeltsin government, in an attempt to make Russia "ungovernable." (The FNPR had played on the [quite real] issue of inter-sectoral wage differences in mining regions: miners' wage increases drove prices beyond the reach of those in other sectors. True, the independent unions, heavily weighted toward the miners in the area, might be accused of some insensitivity to the issue. But FNPR unions in the mining sector had not, obviously, been reluctant to push for the miners' pay raises, which had contributed to the "spiral".) When the trilateral commission's delegation visited the region and the strike threat was suspended, a source obviously sympathetic to the "independents" observed that the strike had been stillborn not because the delegation had been accommodating, but because of lack of worker support for what they regarded as an FNPR political provocation.

51Komsomolskia pravda, April 7, 1992, p.2; Izvestiia, April 6, 1992, p.2; FBIS, April 14, 1992, pp. 34-37.
Thus, no real solidarity emerged on the labor side of the triangle. FNPR, headed by ex-apparatchik Klochkov found it difficult to make common cause with unions whose roots went back to the militancy of 1989, or with the politically astute Sotsprof. FNPR affiliates fought over the division of Russian assets with the shell of the trans-national VKP. Independents sought a share of the assets of the old official structure, while FNPR expressed a desire to shed some of its ("nonprofit") functions (e.g., technical inspection) to the government, and get on with the task of defending workers. But, throughout 1992 and into 1993, FNPR would fight attempts to deprive it of the "checkoff" procedure whereby it automatically collects members' dues, and of its pension and other benefit functions as agent of the government (which still makes subventions to the FNPR budget for this purpose). These matters, at the time of writing, are in the Constitutional Court.

Central in the (mal) functioning of the trilateral commission has been the "geometric" illogic of the situation. Ministers sit on the government side. On the "employer" side, directors of state enterprises—with the same paymasters as the ministers they face—occupy seats, along with representatives of "industrial lobby" organizations (see below). The side of the government committed to the market thus negotiates with the side of the government committed, rather, to preservation of plant, employment, and a continuing large state role in the economy. Nor is the corner of the triangle that separates employers from labor a particularly sharp one: government-as-reformer came, fairly early, to face concerted pressure from an employer-labor combination.

This was, broadly considered, the essence of the "industrial lobby." What had emerged in late 1991 as a confluence of interest, especially in heavy, defense-related industries, between the "employers'" Scientific-Industrial Union (NPS) and the

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interrepublican council of labor collectives (MSTK), continued into 1992. The NPS became, after the USSR ended, Arkadi Vol'skii's Russian Union of Industrialists and Entrepreneurs (RSPP), and occupied a seat on the employers' side of the trilateral, as did the (more "private") Congress of Russian Business Circles. The RSPP, along with the "Confederation of Unions of Entrepreneurs of Russia," headed earlier in 1992 by Vladimir Shumeiko before his joining the cabinet, represented the complex of interests, managerial and labor, that sought survival as production/employment organizations. Then and now, such fears are real. The prospect of a crisis/inflation/deficit-driven "deindustrialization" of Russia, a collapse of the economy, before any plans for conversion of relatively high-tech industry to non-defense uses, within any tolerable context of privatization, could be carried out, is a frightening one. Beyond the "preservationist" concerns of defense industrialists, they and "genuine" emerging private-sector enterprises (represented to some degree by the Congress of Russian Business Circles) shared positions on aspects of tax policy and other matters. It was not "as if" real private entrepreneurs had no complaints about the procedures and operation of the trilateral commission. 58

Industrial "lobbying" has not been confined to the framework of the trilateral, of course. On the broader field of politics, the RSPP's political creation; the "Renewal" party (Obnovlenie), united with Rutskoi's People's Party of Free Russia, Travkin's Democratic Party, and some others to form the "Civic Union" bloc, the so-called centrist opposition to Yel'tsin. Within the trilateral, a formal alliance of a sort was declared in July between "employer" RSPP and "labor" FNPR, as the "Russian Assembly of Social Partnership" (RASP), 59 although—as with so many other "founding meetings," "congresses," etc. in post-Soviet Russia—few concrete organizational consequences followed.

58See the interview with Gennadi Semigin, an official of the "Russian Congress of Business Circles," in Trud, April 22, 1992, p.2.
59The "employer" RSPP and "labor" FNPR co-published the newspaper Rabochaya tribuna as well.

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By late summer 1992, it was clear that the trilateral was not functioning to any of the social partner's satisfactions. The FNPR was disaffected, seeing the trilateral as a "government body," and refused to assume a "transmission belt" (!) function under a government pushing toward capitalism. Nor could the commission "channel" new or more extravagant demands from the industrialists' side. In mid-August, a raucous "All-Russian Conference of Commodity Producers" met in Moscow, bringing together some two thousand directors, union affiliates, local government officials and others to attack the government, and Gaidar's "second phase" reform plans. Nearly every conceivable anti-market idea was broached during the meeting, organized mainly by the "Industrial Union" parliamentary faction headed by Yuri Gekht—an industrialist even less oriented toward a market transition than Vol'skii. (FNPR, represented at the conference, showed signs of aligning itself with Gekht's harder line, only a month after its RASP agreement with the RSPP.)

Later 1992, saw "trilateralism" marginalized in favor of bilateral dealings by the government and its (not quite "sociable") partners. With FNPR announcing its (second annual) "Day of Protest" for October 24, government and FNPR representatives gathered on October 20, and scheduled further meetings in a "conciliation (soglasitel'naia) commission "to deal with differences over minimum wage levels and other economic demands. One October 25, an "industrial policy "council" was announced after a meeting of government and industrial management representatives, again with no mention of the older trilateral context.

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61 This, of course, is to distinguish itself from the old AUCCTU and its role of "transmission belt" for the CPSU and Soviet government. The Yeltsin government has been accused of being a "traditional autocrat, enriched by Bolshevik experience;" see Rabochaia tribuna, July 10, 1992, p. 1.
63 Ibid.
65 ITAR-TASS (English) 1100 GMT, Nov. 2, 1992; FBIS, Nov. 2, 1992, pp. 44-45.
By year's end, it was clear that trilateral corporatism had failed. The commission received briefings from labor minister Melikian (Shokhin's successor) and Klochkov on the results of a month of government-FNPR conciliation commission talks in early December. Few had any good words for the trilateral--some "hopes" were expressed that it "might" still work, but generally these aspirations were accompanied by complaints about the negotiating "partners." That in the end the body was re-chartered for 1993 gave little reason to assume, given the fundamental problems of economic reality and group identity still unsolved, that it would have better going in its second year.

Privatization, Control and Social Justice

A new and controversial element, playing its own potentially important role in labor politics, was privatization. Too complicated (and incomplete) to be treated at length here, the original 1992 privatization program provided three variants of privatization for the state firms scheduled for such. All three variants granted advantages to the sitting work collectives and management, in a commitment of blocks of free shares (typically non-voting) and discounts on the purchase on yet more shares. None, however, at least in principle, were "giveaways" to the workforce. Advocated, early on, by some of an ouvrieriste, syndicalist orientation, as well as by others who saw this as the cleanest quickest break the state might make with ownership, giveaway privatization was a point on which the government drew the line, or attempted to.

Resistance had at least two sources. First, the (logical) notion that giveaway privatizations would in no way alter plant behavior, nor make for entrepreneurial operation, militated against the idea. Second was the "social justice" issue--sole receivership by the workers and managements of enterprises in material production would cut out massive numbers of the population who worked outside the "productive" sector: doctors, teachers, soldiers, etc. who had made their own contributions and sacrifices in

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67See Interfax (English) 1732 GMT, Feb. 8, 1993; FBIS, Feb. 9, 1993, p.15.
assembling the national capital due for privatization. Hence, the giant "voucher" scheme was born: ca. 150 million vouchers issued to every man, woman and child, their 10,000-ruble face values adding up, roughly to 35% of the 1991 valuation of the total plant scheduled for privatization under the scheme.

Vouchers could be "bid" as offerings on shares in enterprises, or sold. Some sold them, some placed them with newly-established "funds" which would bid blocks of vouchers in privatization auctions. (Some funds absconded, leaving hapless would-be investors victimized.) How well the "honest" ones could work--to become major shareholders in enterprises, providing external discipline and "owners" to whom management would be partially responsible--remained unclear. That patterns would remain far from the "Western" mode of share capitalism was guaranteed by the lack of all sorts of critical auxiliary institutions, and institutionalized behavior patterns. But it was a start--and under the circumstances, the government could not be too choosy in its search for a way out of the ownership business.

Still, the challenge of a "fourth variant" of privatization rose in parliament in winter 1993--a new "giveaway" program against which privatization boss Chubais railed. It would allow bargain-price purchases of their plants by workers and managers, said in installments over a five year period, from factory "profits," shutting out external investors. Who stood behind it? Among its backers were the sorts of local government power-brokers and political eminentoes who, basically, oppose privatization in general, seeing any diffusion of ownership (especially via vouchers) as a threat to their own exercise of power and extraction of advantage. In Cheliabinsk, and in Novosibirsk, local bosses simply suspended voucher auctions, citing in both cases the threat that

"outsiders" might acquire the region's wealth, that local citizens' vouchers would lose value.

Such moves are not atypical. In Nizhnyi Novgorod, where privatization, again, is well-advanced, cash auctions are the rule, vouchers largely cut out. Large blocks of shares, generally priced at 1 million rubles or more, are put up for sale--beyond the reach of individuals, but not the enterprises that are effectively, "buying" themselves. Cash starved local governments "go along," since they receive most of the proceeds. Among the three original variants of privatization, most enterprises have opted for the one that seems more expensive, but allows the combination of management and employees to acquire up to 51% of equity at a negotiated price. All this tends to reduce the management "potential" of voucher funds.

All in all, then, privatization leaves many questions open. It is far too early to tell whether a broad population of "owners" will be able to exercise any control over management. It is unlikely to happen soon, in any case. If it does, it will affect workers, and the management-labor relationship. How, meanwhile, will "self-privatizing" plants, wherein the management and workers have acquired majority, controlling interest, operate? (Work collectives and managers went into the secondary market in early 1993 to buy vouchers to use in privatization buy-outs, further distorting the original intent.) Will management be the "major" partner, with workers relegated to minority status? In this case, "shedding" excess labor becomes a possibility—but unions still have rights over authorizing layoffs, and are unlikely to take such moves with equanimity; here, FNPR and independents may share the same position.

Managers-owners will still have incentives to behave in "old" ways—especially the many monopolists. They will raise prices; they will still lean on the state for credits to keep "their" enterprises going. Absent the sort of tough measures the Yeltsin government

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71 Commersant, March 2, 1993, pp.16-21.
did not seem ready to take in the post-referendum days, much may go on as before, for workers and managers, against a background of continuing decline in the heavy industrial sector where so many still work.

The legacy of the old Soviet economy is a heavy one. In large-scale industry, realism indicates that government's role will remain large. Even the sectors scheduled for privatization are proving difficult to 'de-etatize.' Privatization minister Chubais, typically managing put a brave face on the process, noted in April that only 4 percent of the population had sold their vouchers, while 17-20 percent of the vouchers issued had already been invested, directly or via funds. He expected that 50 percent of Russia's small enterprises would be privatized by the end of the year, and noted a growing number of auction for larger enterprises.73 But, while all this to some degree marked "progress," Prime Minister Chernomyrdin, reverting to his industrialist background, was comparing the privatization process to Stalin's agricultural collectivization! 74 How privatization would proceed, with Chernomyrdin tilting back toward the Soviet-style ideas he had earlier seemed to abandon, with Chubais himself under pressure from parliament (and denounced by Khasbulatov at the Eighth Congress of People's Deputies that had preceded the referendum75), with Yeltsin showing signs of "waffling" in the Lobov and Soskovets appointments, was difficult to predict.

Concluding Thoughts

We are too close to events to develop much perspective on them. To a significant degree, 1992 was a year of moves and counter-moves, none of them clearly decisive, in labor politics. Gaidar was no Balcerowicz. Even at its most "Gaidarite" phase, the government shied away from Polish-strength shock therapy: prices were freed (though not on all items), but wages were not controlled. Though the government could denounce the

73RFE/RL NB, April 5-8, 1993, p.3.
74Ibid, p.2.
75Rossiiskaia gazeta, March 12, 1993, p.1; CDSP, April 7, 1993, pp.7-8.
Central Bank's soft credit policies, it did not move to stop them as it might have. (It, too, needed credits.) On the business of credits to industry, the government "jawboned" the bank, but the credits kept flowing. The workers received raises (delayed by the cash shortage of mid-1992), and the factories stayed open. FNPR was loud in its complaints, sniping continually at "reforms that hurt," but—after March 1992 at least—does not really seem to have attempted to create governmental crisis via a massive, multi-sector strike. Given members' weak sense of affiliation, it is not clear that it would have succeeded had it tried. Given the governmental moderation that meant no large-scale plant closing or consequent unemployment, FNPR lacked the ultimate crisis issue.

What did not happen in 1992 and earlier 1993 meant as well that "employers," in the sense of a category of "capital" vs. labor, did not emerge as a distinct group. To expect that this would happen quickly would have been unrealistic. Entrepreneurs continue to grow in numbers and weight, but the "industrial lobby" (however diverse a group it is), rooted in state industry, made the running. The RSPP, Obnovlenie, Civic Union represented as much an alternative vision of political economy as distinct "group interests:" the game they played was thus a broad one, in parliament, in the media, in cabinet politics as well. Coy and confusing about its status—alternative government or constructive opposition—Civic Union did not "win," nor did it decisively "lose."

Of course, it is not all that easy to define what the various parties felt to be at stake in this first seventeen months of post-communist Russian history. Accepted rules of contestation, institutions with some history of operation, play a major role in defining the stakes of political games, and these Russia largely still lacks. The big political dramas—president vs. parliament, Yeltsin vs. Khasbulatov (and Rutskoi)—are about the type of rule Russia will have, the shape of a constitution and political institutions. It is not yet over, and on its outcome depends the shape of labor politics in the future. Given the speed and nature of the Soviet Union's collapse, the "deals" cut to facilitate new arrangements were not outcomes of government negotiations and "pacting" with independent groups, parties,
etc. (in this sense unlike the Polish and Hungarian "transitions") but deals between governmental actors. Politics-labor politics included—still thus has elements of "bureaucratic politics" of a pronounced sort, though without the authoritative central arbitration of the past. FNPR "opposes" the government, but depends on government funds; the government reformers denounce FNPR populist demagogy, but go on paying the union to perform functions elsewhere the sphere of government. The "industrialists" fight the government, to keep it in the economy on the industrial lobby's terms. The government seeks extrication through privatization, but is as yet far from its goal. All remain linked together, on the one hand lacking distinct, stable bases, on the other internal cohesion—neither government, nor labor, nor employers speak with one voice.

It is extremely unlikely that this situation will last much longer in quite the manner of spring 1993. But it is also difficult to see any scenario of "breakthrough" wherein a once-again-reorganized Yeltsin government pushes simultaneously on the labor and employer fronts to alter it drastically. The president is a politician, not an economist. Crisis seems to loom, whether one created by a hard line forcing plant closings and unemployment, or by an economic collapse as a result of government inaction—which will bring similar results. The avoidance of such a crisis thus far is an uncertain guide even to the near future, as the government's room for maneuver lessens. While government, labor and employers may all "understand" that there is no going back to the old system, each in its own way finds important elements of the legacy of communism hard to discard. The business of "deconstruction" is not yet completed, the building of new institutions still in progress. Both processes will shape politics for some time to come.