

'<a>Precarious Labour: Russia's 'Other' Transition

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Introduction

The end of state socialism and the transition to a market economy at the turn of the 21st century have powerfully redefined the economy in Russia and other former socialist states. The transition, informed by neoliberal ideology, was designed to re-set Russia on the path of democracy and prosperity that had been interrupted by a “deviant” socialist system (Winiecki 1988). It was advocated by reformers as a somewhat painful but fully worthwhile effort to return to the family of “normal” and “civilized” countries. Neoliberal ideology celebrates individual liberty and prosperity, and presumes that private property, the foundation of capitalist economic relations, is the only means to free the economy from state control (Friedman 1982 [1962]). Under its influence reformers aimed to quickly privatize the enormous assets of the Soviet state in order to reduce state control of the economy and jumpstart private entrepreneurial development. The assumption was that other social and economic realms such as state welfare, informal livelihoods, and domestic economies would successfully adjust to capitalist markets or wither away once made irrelevant by market efficiencies (Sachs 1995).

A major outcome of the structural adjustment policy known as “shock therapy,” has been widespread and persistent poverty. For three decades now, the capitalist economy has consistently failed to provide stable employment in Russia. Large populations of the post-Soviet poor, as well as the thin middle class, have been forced to secure livelihoods through various forms of precarious work involving short-term, insecure, low-paid, unregulated and often off-the books employment.¹

The case of Russia demonstrates the effects of neoliberal policies with particular clarity. Neither poverty nor precarious labour existed in the Soviet past, but their effect on a society that went from guaranteed full employment to a barely regulated labour market may be indicative of a likely global neoliberal future unless challenged by researchers, activists, politicians, policy-

makers, and, as ever, people themselves. In this chapter I explore the way that temporary labour migration became a livelihood strategy for the many increasingly precarious workers. I speculate on how this strategy might be a means to resist capitalism by offering political possibilities yet to be recognized.

The ‘other’ transition: the production of poverty

The economic transition that began in Russia in the early 1990s was conceptualized by the Russian government and its western consultants as a unidirectional shift from state socialism to capitalism. Given that there simply was no private property in the former Soviet Union, the starting point for transition was clear: the fully nationalized economy controlled by the state. Likewise, the end point was similarly clear: a fully privatized and deregulated market economy. According to the play-book of neoliberalism, the reformers focused all policy efforts on the rapid privatization of state assets in order to eliminate state interference and jump start the operation of free markets and private accumulation (Friedman 1982 [1962]; Sachs 1995). Other economic and social realms were either deregulated (e.g., labour markets, social welfare, healthcare and prices) or, as in the case of domestic labour and work ‘off the books’ for cash, simply ignored.

Under the Soviet system the State had guaranteed public goods free of charge. This included major necessities for which working people in ‘free’ market societies have to pay (e.g., housing, healthcare, childcare, and education). While there were considerable differences in the levels of material well-being, the experiences of unemployment, homelessness, chronic hunger, and feelings of hopelessness associated with poverty under capitalism were largely unknown (Pavlovskaya 2017). Wages and pensions, always set to be higher than scientifically determined minimum subsistence levels, covered the basic necessities for Soviet citizens including food, clothes, and consumer durables.

The dramatic creation of “capitalism by design” (Offe 1991) in Russia took place in laboratory-like conditions that allow us to see with clarity the immediate effects of removing seventy-five years of Soviet-era regulation. As soon as guaranteed employment and social protections were eliminated in 1991, income inequality quickly grew from one of the world’s lowest (with a Gini coefficient of 0.260 in 1991, comparable to Scandinavian countries) to one of the world’s highest levels (0.407 by 1993 and 0.423 in 2007), worse than even in the U.S. (which has a Gini coefficient around 0.411).

Unemployment, wage suppression, and the collapse of state welfare had profound effects on practices of social reproduction and livelihoods (Smith et al. 2008). With no state to lean on and few employment opportunities within the privatized economy, the new population of the poor and the unemployed had to find their own means to “survive capitalism” after “having survived socialism” (Drakulic 2016 [1992]). Women in particular were aggressively pushed out of the privatized labour market. The blatant resurgence of patriarchal tropes has ‘encouraged’ them to fulfill their natural destiny to be mothers and housewives and leave the few waged jobs to men (Pavlovskaya and Hanson 2001; Pavlovskaya 2004). In stark contrast to Soviet era guarantees of child-care, employment and pensions, Russian neoliberal policy failed to protect citizens against the ills of the capitalist market and in effect condoned the expansion of precarious livelihoods.

As soon as 1992, over one third of the population or almost 50 million people were living in poverty. Even today, three decades later, real wages continue to fall and the official poverty rate is roughly 15%, despite Russia's fabulous oil wealth (Pavlovskaya 2017). Scholars attribute the sharp and war-like rise in mortality rates in the 1990s, especially among men, to economic hardships, the disintegration of public healthcare, an inability to cope with poverty, and hopelessness leading to premature deaths of all kinds (Rosefielde 2001). The Russian population has declined in absolute terms for three decades now as death rates continue to exceed birthrates.

Metrics concerning poverty compiled by the International Labour Organization portray Russia's 15% poverty rate as "moderate". But this obscures rather than clarifies its extent. Russia's poverty level is linked to the so-called minimum monthly wage which, as in the Soviet times, is officially set by the government and should, by the government's own standards, exceed the minimum subsistence level. However, for most of the post-Soviet period the minimum wage has effectively been *below* the subsistence level. While in 2018 the two figures finally came close to each other, for almost three decades working people have received highly suppressed wages causing wide-spread and deep economic marginalization (Pavlovskaya 2017).

The most astonishing thing is that the new poor are not only the jobless, disabled, or otherwise vulnerable, an outstanding 63% of the poor in Russia are *working poor* from all walks of life, age groups, and education levels (Ovcharova et al. 2014, p.20). In other words, the capitalist economy pays wages so low that even the employed cannot rise above the poverty line (Pavlovskaya 2017). Initially reformers rarely mentioned the possibility of poverty, but more recently social scientists and public figures debate the need to tolerate it, as in other "civilized" nations. They discuss the ways in which "our poor" are different from "their poor," and they muse on how to make the poor work harder thereby lessening their burden on the society. "The poor" are now surveyed, monitored, measured, interviewed, and researched – which both normalizes and consolidates this new category that makes up a considerable portion of the population. When poverty is an unavoidable but common feature, indeed a norm, the society no longer has to strive to eliminate it, rather it seeks only ways to manage it. The responsibility for escaping poverty shifts to the poor themselves. This approach to poverty contrasts strongly with the Soviet period, when even under the most strained economic circumstances, people would not see themselves, nor would they be seen, as "poor" (Pavlovskaya 2017).

Measuring poverty against waged income assumes that all work is monetized and the state, as elsewhere, requires the poor to seek (more!) work in the capitalist economy that has so far failed to pay living wages. In reality, the poor cope with poverty by further increasing unpaid work within households and communities while also searching for informal livelihoods. But the fact that these economic practices do not take place within the formal capitalist space conceals the additional strain on social reproduction that the poor endure in addition to being starved for cash.

The heralded macro-economic visions of capitalist transition obfuscate the 'other transitions' provoked by the demise of socialism. A diverse economies framework provides a basis for exploring the role that diverse economic practices play in countering the large-scale dispossession of the last decades (Pavlovskaya 2004; Smith et al. 2008; Stenning et al. 201). Temporary labour migration, then, can be examined as an example of a precarious but vital economic practice that assures that society continues to reproduce itself.

Precarious workers and temporary labour migration

Households and communities and their relationship to place have been shattered by the “shock therapy” of “disaster capitalism” (Humphrey 1998; Pavlovskaya 2004; Smith et al. 2008; Klein 2008). Local economies were destroyed when major Soviet era restrictions on migration were lifted. The residence registration system—the infamous “*propiska*”—was a major migration control mechanism that held Soviet populations in place by making residence and employment contingent upon each other. One could not register residence without a job or get a job without registering residence with *propiska* first. With these restrictions eliminated, millions of migrants from small towns and villages across Russia poured into large cities such as Moscow and St. Petersburg in search of cash income.ⁱⁱ These workers did not intend, or could not afford, to relocate their families. As temporary migrants, they formed a large transient urban population with no permanent place to live and only temporary work to perform. This kind of temporary work away from home, however, has evolved into a practically permanent solution for the affected social groups.

The extent of this phenomena caught the attention of scholars who named it the “new *otkhod*” (new out-migration), a reference to tsarist Russia when circular labour migration to cities for work provided a major source of livelihood to a large number of marginalized peasants. Modern temporary labour migrants comprise as much as 75% of the 38 million working-age adults who do not participate in the formal economy (Plyusnin et al. 2015). My own analysis suggests that about 20 million of such migrants support roughly 50 million people in their households, while another 10 million migrants from other post-Soviet republics earn livelihoods for another 28 million back home (Pavlovskaya 2016). Unregulated labour migration today supports a considerable part of the post-soviet space.

Internal temporary labour migrants often work shifts that last from a few weeks to several months. In contrast to international migrants, they do not establish another residence in Moscow or St. Petersburg. Instead, many sleep at their workplace or share rooms in overcrowded hostels. This is especially true for work in construction, the booming private security companies, building maintenance, and some other service jobs that allow workers to “live” in office spaces. Most such labour migrants are men but women also find employment, for example, in hospitals working week-long shifts as nurses. In fact, the range of precarious employment is wide, from low-skilled service to highly skilled working class and professional jobs (Plyusnin et al. 2015). After several weeks away migrants return home with their wages and spend another several weeks working in the household economy: tending to the house and the garden, the food from which remains a major part of the diets of millions Russians.

The spatial separation between places of mobile work and home requires profound restructuring of the entire household to accommodate these transitory and migrant jobs (Gerrard 2017). The Soviet era routine of going to work in the morning to a plant or an office and returning home at night gave way to alternating prolonged absences and presences of one adult. The remaining household members shoulder all responsibility for domestic work, gardening, and childcare during the absences. To do this, they often must quit whatever employment they might still have while the lost income puts pressure on the migrant to earn more cash. Households also renegotiate gender relations and seek more reliance on networks of extended family, friends, and community.

As an example, the market for private security services has burgeoned with fears of criminal rackets and, more recently, Chechen and Islamic State terrorism. Practically every business or agency in Moscow and other major cities, from schools to pharmacies to restaurants to stores, now has a security guard. This market absorbs a large number of male migrants, many of whom work either off the books or without long-term arrangement, from small towns and villages. Because they look like any other Muscovite who might be performing the same job, their temporary migrant status is invisible. Office workers, pharmacy customers, or the parents of school children do not know from appearance alone whether the security guards they encounter actually live in Moscow or not. Working shifts that last several weeks without a place to live means that these guards often sleep, eat, and clean themselves at their workplace or use public baths and diners. Some rent beds in make-shift hostels. Building maintenance, a major sphere of the urban economy, similarly employs those who commute from other regions, work long shifts, and sleep in those offices where they work. Until the recent tightening of international migration, the majority of street cleaners in Moscow consisted of migrants from Central Asia who, despite staying months or years at a time, often lived in overcrowded basements or hostels. Female care workers who continue to migrate in significant numbers from Central Asia or the Ukraine, however, often live in the household of the child or elderly person in their care, or they share the hospital room of the patient for whom they are hired to care.

Another aspect of precarity is the insecure character of the job itself. Migrants do not know when and where they will find work again. While wages help people to secure livelihoods, these jobs do not provide excess wealth nor do they provide health benefits or pensions. After working like this for years or even decades, workers earn only enough for their family's basic consumption or the occasional vacation or to fix up and even build the house. Once these labour migrants grow old with no pension or savings, other household members, most likely women, will have to care for them without the possibility of hiring outside help. These new responsibilities will affect again the gender division of labour within such households. In short, securing livelihoods through precarious work is compounded by a spatial separation that literally stretches households over large distances for weeks, months, and often years. This new regime of temporary return migration clearly poses physical health and emotional challenges to workers and their families. While families can and sometimes do break apart under these pressures, most persevere given their mutual dependence under such precarious conditions.

In the absence of any rules, migrant workers and those they leave behind successfully maintain complicated arrangements because they rely on and care for each other as families, friends, neighbours, and groups of co-workers. Migrants look for work together and form work teams with friends (e.g. men in construction or women in care work), they develop friendships in the city, including those with employers, and they share meals and accommodation. Meanwhile, back home, the extended families and neighbours care for the young and the old as well as the garden. Solidarity and trust are vital for precarious livelihoods.

Policy responses and solidarity possibilities

The extent and depth of economic marginalization and hardship engendered by the transition to 'capitalism' almost thirty years ago demands at least some response by the Russian state to the precarity of social production and informal livelihoods. So far, however, the Russian government

has neglected to address persistently high rates of exploitation and ubiquitous poverty. Protest movements of all kinds regularly erupt representing a wide spectrum of social groups, from miners and truck drivers to retirees, youth, mothers, and teachers. In response, the state and corporate oligarchs expand repression using police, paramilitary nationalistic groups (e.g., Cossacks), and a special National Guard trained to deal with, specifically, internal street protests. An endless spectacle of bold national and geopolitical projects unfolds on state controlled TV channels (e.g., taking back Crimea and building the bridge to connect it to Russia, hosting the Olympic Games and the World Cup, supporting Russians in Eastern Ukraine, supporting the “legitimate” government in Syria including symphony performances in the ruins of Palmyra, and so on). This spectacle diverts public attention from everyday economic struggles as it generates affect and pride for Russia and its strong leader (Toal 2017).

Instead of raising wages, improving worker conditions, and strengthening social protections, the state attempts to extract even more surplus from those enduring precarious livelihoods. For example, in addition to monetizing benefits, the state has drastically increased the retirement age. It has also proposed to tax the millions of Russians with no formal employment and, if they do not comply with the tax, to block their access to the remnants of what had been free and universal healthcare services. In light of wide-spread tax evasion by corporations and oligarchs, the high costs of a largely monetized and privatized medical system, and the absence of formal employment opportunities that pay a living wage, these new policies clearly constitute a direct attack on livelihoods.

Practically half of the Russian population have come to rely on precarious informal livelihoods and unpaid household work in order to survive. As a result, Russian households grow increasingly autonomous from both the state and formal capitalist business, both of which have proved unable to provide basic economic security. Although in most situations everyday diverse economic practices do not involve political organizing and anti-capitalist political action, they, nevertheless, represent a potential for social transformation. This is not to celebrate precarity and unpaid work but to emphasize that in the face of persistent large-scale poverty in Russia and the lack of any viable social welfare policies, people have secured their social reproduction by participating in distinctly non-capitalist practices (Pavlovskaya 2015; 2017).

People challenge the new ontologies of poverty by engaging in diverse economic practices that help them collectively resist capitalist exploitation and neoliberalism. Migrants leverage their exploitative situations in solidarity with their families, friends, and communities deploying creativity, cooperation, the joining and sharing of resources, and other forms of mutual aid. Return migrants often look for work and work collectively and also share surplus among themselves and within their households. Their purpose is not the creation of wealth but to secure livelihoods and well-being. Moreover, solidarity helps people overcome exhaustion, despair, and the everyday violence of “surviving capitalism,” as it provides a sense of belonging to community and place. Solidarity economies stand in stark relief to the capitalist logics of profit-maximization and competition where workers have no control over the surplus they create or the work they do.

Finally, the ability of social reproduction and related livelihoods to cultivate solidarities indicates that they represent already existing sites of non-capitalist community economies and, in this sense, sites of social transformation. Thus, this largely overlooked aspect of post-socialist

economies represents an important site and potential for solidarity economy movements as they expand internationally. In short, while neoliberal policies in Russia have placed a heavy burden on social reproduction and livelihoods, new political possibilities also emerge and await their inclusion into social imaginaries of solidarity and post-capitalist social transformation.

** Conclusion**

The view of a post-socialist transition leading uni-directionally toward a well-functioning and prosperous ‘capitalism’ still persists among scholars, policy-makers, and Russian state ideologues. But a diverse economies perspective helps us see this kind of thinking as masking the vast and expanding realms of non-monetized social reproduction and precarious informalized livelihoods. It is these realms that have sustained the Russian society through the economic devastation of the last three decades. The fundamental role of this “other transition” has remained invisible within public discourses and policy and this has enabled capitalists and the neoliberal state to profit from precarious livelihoods and practices of social reproduction (Katz 1998; Pavlovskaya 2004; 2015).

The diverse economies perspective also helps us to foreground the highly significant and also often overlooked fact that an ethic of care and cooperation common within practices of social reproduction, precarious work and informal livelihoods sharply contrasts with capitalist logics of profit maximization and competition. This fact raises important questions about the potential for these practices to resist neoliberalism, act as sites of social transformation, and foster non-capitalist economic futures in post-soviet Russia and beyond (Pavlovskaya 2015).

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ⁱ An entire class of people worldwide are already living a precarious existence with no access to meaningful employment at all (Standing 2011; Puar 2012).

ⁱⁱ Both internal and international migration increased dramatically. This discussion focuses only on the comparatively under-researched situation of internal temporary migrants.