An Analysis of the Impacts of Russia’s Transition to Capitalism on the Russian Working Class

Brendan Kaminski

Introduction

Russia has the largest population within the European continent, accommodating over 145 million inhabitants. However, Russia’s economy is far less distinguished when compared to the economies of the developed world. This disparity is represented within the Russian working class (RWC), as feelings of job insecurity are more prevalent amongst Russian workers than workers within developed economies. Additionally, roughly fourteen percent of Russia’s population is currently living in poverty, a figure that is likely to increase given the growing volume of Western sanctions on the Russian economy. This disparity stems from the Russian economy’s 1991 transition from Soviet communism to market capitalism, which exacerbated the poor living conditions of the RWC. Russia’s communist legacy has also fostered widespread corruption, leaving impoverished Russian workers with minimal political support. The transition from communism to capitalism has proven to be detrimental to the welfare of the Russian working class. These concerns will be analyzed to determine the extent to which the Russian economy’s transition from Soviet communism to capitalism has impacted the Russian working class.

Historical

To understand the detriments of Russia’s capitalist transition on the RWC, it is imperative to discuss Russia’s communist history, which offered periods of prosperity for Russia’s workers. As described by Sheila Fitzpatrick, a professor at the University of Sydney specializing in Russian history, the Soviet period was characterized by conformity and ritual. This heavy emphasis on ritual impacted the welfare of the RWC. While reports from Michele Gelfand, a member of the psychology department at the University of Maryland, indicated that collective ritual results in a reduction in creativity, a driving force in economic growth, the opposite can be found through an analysis of the communist ritual, subbotnik, or work Saturday. According to Thomas Cushman, an assistant professor of Sociology at the University of Texas, subbotnik promoted creativity amongst Russian workers, while also stimulating the economy, with an April 1980 subbotnik generating around 842 million rubles—equivalent to approximately 11 million United States dollars. It is significant to note that Cushman’s account only focused on subbotnik, so his description may not be generalized to all rituals practiced during the Soviet period. Nevertheless, the collectivist elements found in subbotnik were also present within other Soviet rituals, warranting the relevance of Cushman’s report. Therefore, the collectivist rituals that dominated Russia’s Soviet era served to benefit the economy, and subsequently, the Russian working class.

Contrastingly, the Gorbachev period, which began in 1985 under the leadership of Mikhail Gorbachev, featured reform that promoted a move to capitalism within the Soviet Union, a decision that proved to cripple the RWC. Gorbachev’s support of capitalism parallels the writings of Alexis de Tocqueville, a French diplomat who visited the United States during the 19th century. Tocqueville praised the United States’ capitalist economy, one that connected individual interest to the welfare of the public. While it should be noted that Tocqueville’s praise was centered around American capitalism, his appraisal can be extrapolated to other nations besides the United States, as Tocqueville was interested in applying the successes found within
American institutions to France. However, Gorbachev’s capitalist reforms resulted in the Soviet economy’s collapse,14 invoking a period of immense poverty and hardship that is still endured by the RWC today.15 While Tocqueville indicated that prosperity would accompany a capitalist economy, it is clear that Russian capitalism elicited the downfall of the RWC. Communist rituals that promoted collectivism and conformity proved to benefit the Soviet economy and its workers, while capitalist reforms implemented during the Gorbachev era established tribulations that are still endured by the modern RWC.

Economic

The Russian economy’s shift from communism to capitalism devastated the economic position of the RWC. The prime reason for the immense hardship faced by the RWC was how difficult it was to adjust, given the drastic differences between communism and capitalism. Susan Linz, professor of Economics at Michigan State University, alludes to these differences. Linz asserts that Russia’s economic transition generated a period of income inequality for the RWC, dissimilar to the previous period of equality.16 The disparities felt by the RWC likewise stem from the increased individualism that is associated with capitalism.17 Not all scholars agree with the aforementioned, though: economist and University of California, Berkeley professor Yuriy Gorodnichenko indicates that individualism promotes economic mobility and innovation, thus stimulating the economy.18 However, an analysis of the Russian economy following the introduction of capitalism contradicts Gorodnichenko’s assertion; the country’s annual economic growth rate was at less than two percent between the years 2010 and 2019.19 This low economic growth rate suggests that the capitalistic economic prosperity described by Gorodnichenko is not experienced by the RWC. Moreover, Russia’s shift to capitalism has allowed wealthy elites to prosper at the expense of the country’s workers.20

Russian workers exclusively experience a degree of economic security when engaged in collective environments. David Mandel, a political science professor at the University of Quebec at Montreal, who has researched reforms within Russian labor education, asserts that Russian workers form unions because they are more successful as a collective unit than as individuals.21 However, since Russian capitalism promotes individualism, the collectivism that is favored by the RWC is thereby threatened.22 This acts as a detriment to the economic success of the Russian working class. While capitalist individualism is traditionally regarded as a signal for economic mobility, this prosperity is not felt by Russian workers who rely on collectivist unions for success within the Russian economic scene. Unfortunately, Russia’s workers also struggle to find support from the Russian government.

Political

Russia’s capitalist transition has deprived the RWC of political support due to widespread corruption amongst Russia’s political leadership.23 This is damaging to the RWC because corruption diverts government resources from public development and aid. The resources are instead directed to wealthy businessmen,24 preventing impoverished Russian workers from receiving economic support from the government. Furthermore, Phyllis Dininio, a senior fellow at the Global Initiative against Transnational Organized Crime, supports these claims, contending that the Russians who have the resources to bribe government officials are the wealthy businessmen, not the workers.25 The economic superiority of the businessmen within Russian society allows them to influence government officials in their favor, to the disadvantage of the RWC. The inferior economic status of Russian workers places political power in the hands of the
wealthy Russians, who support capitalist policies, thus further limiting the working class’ ability to advocate for economic relief. This combination of economic disparity and political corruption has crippled Russia’s working class, whilst benefiting wealthy individuals within Russia.

In capitalist Russia, the RWC struggles to advocate for reforms that would mitigate the societal inequalities they experience due to limits placed on individual freedom of expression. Restrictions to freedom of speech existed during Russia’s Communist era through the censorship of newspapers. David Mandel, a political science professor at the University of Quebec at Montreal, indicates that the main positive aspect of the country’s transition from communism for Russian workers has been improved freedom of speech, in the sense that their civil right is respected by the Russian government. However, restrictions to freedom of speech remain within capitalist Russia. The Russian government has taken control of multiple media outlets within the country, with the Freedom House, a non-profit organization funded by the American government that conducts research on political rights, describing the Russian media as “not free.” It should be noted that the fact that the organization is funded by the United States government may cause them to describe Russian conditions as overly negative, since historically, Russia has been a political rival of the United States. However, the Freedom House’s description parallels the Russian government’s recent restrictions, where they limited the Russian public’s access to social media platforms, thus hindering free speech. The severity of these policies is further illustrated when a comparison is made to the United States, another world power. The American government has allowed artists, like Norman Rockwell, to feature tendentious art in newspapers for decades. For example, in his 1959 painting, The Holdout, Rockwell depicted a female juror holding her ground under the pressure of eleven male jurors. Rockwell’s display was especially significant because female jurors were a rarity in the United States during the art’s time of creation. The fact that Rockwell had this freedom in the 1950s and Russian workers are still struggling to obtain that liberty exemplifies how alarming the political climate is in Russia today. Even if Russian workers felt empowered to advocate against the current economic situation within the Russian state, it is likely that they would be silenced by the government. Despite claims that the Russian public experiences improved freedom of expression following the country’s capitalist transition, restrictions on freedom of speech continue to limit the RWC’s ability to advocate for political reform.

Solution

A multifaceted solution is required to effectively mitigate the impacts of Russia’s economic transition on the RWC. While communism’s collectivist elements proved to benefit the former Soviet state during the 20th century, a full-scale transition to communism is unreasonable, given the economically and politically fragile nature of contemporary Russia. That being said, employing collectivist practices that emulate successful aspects of Soviet communism within contemporary Russian society will prove to benefit the RWC. Russian collectivism has endured for centuries, promoting ideas of unity and equality. This familiarity, something that was not present during the country’s capitalist transition, will serve as the foundation for mitigating the detrimental impacts of the transition.

Familiar collectivism can be found within Russian worker unions. The Federation of Independent Trade Unions (FNPR) emerged following Russia’s capitalist transition. The FNPR promotes the idea of social partnership, which embodies a collective initiative from workers. An increase in unions serves as a logical solution for the RWC since it would empower workers while simultaneously offering familiarity through collectivism. Unions have proven to be
successful for workers in post-Soviet Russia, exemplifying the potency an increase in unions would have. According to Paul Christensen, a political science professor at Boston College who specializes in Russian politics, Russian worker unions have been successful in their battle for workers rights, including demands for improved wages and working environments. However, the ability of unions to advocate for economic reforms for the RWC is limited due to the widespread corruption within Russia’s government, making it important to concurrently initiate anti-corruption reform within the country.

In order to reduce corruption within the Russian government, and thereby allow Russian worker unions to advocate for economic reform, it is imperative that a sentiment condemning corruption is established within Russian society. This can be achieved with the administration of anti-corruption education throughout Russia. This education could be provided within schools, as suggested by V. E. Shorokhov, an associate of the Siberian Institute of Management. Shorokhov asserts that students would be required to evaluate the negatives brought by state and societal corruption. Shorokhov’s proposal would be effective in the long term, but given that it focuses on Russia’s student population, it would take a long time for an anti-corruption sentiment to diffuse to the rest of Russian society. S. A. Vorontsov, a doctor of judicial science, proposes the use of mass media reportage on corruption within the Russian government to develop opposition towards corruption from the Russian public. However a larger issue arises when considering the Russian government’s censorship of the media. According to Article 19 of the Universal Declaration of Human Rights, every individual has the right to express their opinion through the media without interference. This means that any actions employed by the Russian government to remove media reports on Russian corruption would be considered a human rights violation, and would therefore, ensue the employment of the Office of the High Commissioner for Human Rights. This organization would not only alleviate government control of the media, but would also place pressure on the Russian government to acknowledge the human rights of the Russian public.

This multifaceted solution would provide relief in various aspects of Russian society that affect the RWC. It would allow Russian workers to effectively advocate for indispensable economic reform through labor unions. It would also generate an anti-corruption sentiment within Russian society that would reduce corruption within the Russian government. Additionally, this solution would allow for free expression through the Russian media. However, given the involvement of the United Nations, resources would be diverted from other dire conflicts, such as the Russian invasion of Ukraine. That being said, the implementation of this solution is a necessity, given Russia’s critical position within the global economy. Russia serves as one of the world’s top oil exporters, countless countries around the world depend on Russia for the essential resource. Therefore, by assisting the Russian working class through the adoption of this solution, the Russian economy, as well as countless economies across the globe, will prosper.
Notes


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12. Valerie Bunce, “Domestic Reform and International Change: The Gorbachev Reforms in


16. Linz, “How Do Workers Fare During Transition?,” 444.


24. Mark Levin and Georgy Satarov, “Corruption and institutions in Russia," *European*


28. Mandel, “‘Why is there no revolt?,’” 179.


37. S. A. Vorontsov et al., “Fighting against corruption in modern Russia: problems and


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