

## Transformation of the Russian working class as the globalization process

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**Abstract:** The globalization of economic relations results in significant structural change of Russian society. When Russian society is going through a stable period of development it takes the form of estates, in unstable periods it turns into classes. It is a notable distinction of the Russian working class. Russian industrial workers are exposed to social transformation, similar to that experienced in Western Europe and North America. Among the processes that have affected the Russian industrial and agricultural proletariat, we should note reduction in the total number of workers, lumpenization and transformation into smallholders and entrepreneurs, etc.

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**Key words:** Social transformation \* Globalization\* Working class\* Lumpenization\* Transformation into smallholders.

### 1. Introduction

Contemporary social condition of the modern working class around the world is characterized by complex, unpredictable social dynamics that affects the state of the economy and civil society. A vast majority of international and Russian researchers believe that the industrial proletariat in XXI century is undergoing complex transformation processes that change the basic sociological basis of this social-professional community in many countries.

Social transformation within the working class is influenced by global economic processes, including change of economic and technological cycles. The world economy is in transition to a new economic cycle, the key feature of which is the wide use of biomedical nanotechnology. From 1980s to the first decade of the 21st century, the whole process of industrial production in Western Europe and North America were transferred to countries with lower labor costs, which led to widespread negative social consequences. Obviously, technologically well organized, and correctly arranged business cycles are necessary for a more comfortable social development. Optimal social development requires both sufficient number of intellectual and creative workers, and a good number of industrial and agricultural proletariat.

Market reforms that began in 1990s, radically changed the social structure of Russian society. Large-scale social transformation had influenced all basic social institutions and social groups, and formed a new stratum in Russian Federation. In the mid-90s of the XX century it became clear that the reforms do not always go in the right direction, so leading politicians and social scientists had to look for the policies and

actions to meet these challenges.

Leading economists and sociologists noted the following features of the social transformations of industrial and agricultural proletariat: the impact of socio-cultural values of the nation on the formation of the working class, the overall increase in poverty of those who remain to be employed as physical labors, the growth of the informal economy, youth unemployment [1, 2, 3, 4, 5, 6].

### 2. Materials and Methods

The studies were conducted in 2010-2013 in Penza, Saransk, Ulyanovsk and Togliatti. Research methodology included primary and secondary case studies, expertise and massive survey, participant observation. Identifying the causes and basis of social transformations of the Russian working class, we should, primarily, dwell on the theoretical and methodological background of class differences in society. The spread of the terms "working class" and "classes" is associated with Marxist methodology and spread of Marxism in the 19th century. In their studies Marx and Engels developed the ideal of class stratification, where the leading place belongs to the working class [7, 8].

Marx shared basic and non-basic classes and singled them following basic characteristics:

- social groups, relations between which are based on exploitation, the antagonism of the oppressed and oppressor;
- social unrest between the two antagonistic classes intensifies;
- The basis of these differences is essential

attitude of ownership to the means of production and their relationships are defined by exclusion and socio-economic exploitation

The modern interpretation of the concept of "working class" is much narrower than the Marxist one. Working class is understood as those who are hired as physical labors in material production and why do not own the means of production, and live by selling their labor. B.I.Maksimov identifies four main criteria of belonging to the society of workers: the nature (content) of labor (technological aspect); type and level of training, qualifications (educational aspect); position, role in the system of social and labor relations, production and society (socio-economic aspect); social identity, psychology, perception of the group (subjective aspect). The author clarifies the interpretation of "hired" workers: they are ordinary workers who are on the lowest level of the production hierarchy. They usually do not participate in decision-making and business management. Exclusion from control (at least at a level above the workplace) of the organization, non-participation in the company – that's one of the most typical features of the workers [9, 10, 11, 12].

The carried out researches revealed the following trends: a reduction of the number of people engaged in physical labor in industrial and agricultural sectors; absence of distinct industrial policy and as a result an urgent need for important social challenges facing working estate; social, economic, political irrelevance of workers in the Russian society as a consequence of the absence of important industrial and structural challenges faced by them; low prestige of working professions as a result of lack of attractiveness and benefits of those jobs; social differentiation within the working class, emergence of "new" and "old" workers.

"New Workers" are characterized by a high level of social mobility and self-organization, high skills, income and entrepreneurial motivation while; "Old workers" have a low level of social mobility, poor ability for self-organization, are employed in large and medium-sized enterprises, with patriotic form of motivation, have middle and low income.

Causes of complex transformation processes within the working class to be found in:

- Inconsistencies in global economic cycles with the cycles of our country;
- National and regional characteristics of our economy;
- Socio-psychological qualities of the old traditional workers.

On a worldwide trend of globalization are the following trends: lumpenization and depletion of traditional workers, conversion of most mobile workers in the private owners and entrepreneurs.

Transition of modern Russian society to the sixth technological cycle doubts the existence of such social formation as "working class" in a traditional sense. [13, 14].

In the new economic conditions, most skilled and most socially mobile part of working-class creates construction, maintenance crews, acquire simple and complex tools, machinery and equipment and have the opportunity to earn good money, to create their own small businesses, using hired labor. It is quite difficult and even incorrect in terms of terminology to call such representatives of contemporary Russian society the proletariat in the old, traditional sense. In their social, economic and political position in society they are much closer to Western free artisans who have their own means of production, clients, suppliers, than the old traditional proletariat and the working class. Therefore, we prefer the term - "new workers." Representatives of this group appeared in old industrial regions; or primarily industrialized regions. The main reason that prevents complete sociological and economic research of this category is informal or hidden employment.

Nearly 65% (expert survey data) of this special social group consist of unrecorded new workers. Major employment sectors include construction and interior decoration in construction, refurbishment, setting complex household appliances and security systems, etc. Studies of this socio-economic groups were conducted from 2008 to 2012. Because of informal employment in this category, it is not possible to operate precise statistics. Expert opinions and estimates of new workers allow to associate a large number of informally employed population with their group (65%).

Questionnaires and in-depth structured interviews allowed to give the main socio-psychological and socio-economic characteristics of this group.

The main reasons of genesis of this stratum are as follows: current crisis of trust between employees and employers; "delegitimization" of labor market; growth of informal practices in labor relations; arbitrary change of the general principles of labor relations ; the most skilled and mobile workers response to these negative factors of the labor market.

New workers represent almost an industrial staff. Their average age is 28-38 years. This can be explained by the fact that entry into this stratum requires sufficient qualifications and experience. 80% of them is male. 65% are unofficially working people. 24% of respondents are involved in unregistered entrepreneurship as mediators during construction or finishing work.

This is a completely new socio-economic type

of employee in the Russian labor market – type of investor, broker, who has reliable communications with the business environment and bureaucratic and political elites of the region. Currently, this can be considered as the highest career stage that is available to a new worker.

As for education, 68% are higher school graduates, 32% are professional school graduates. People with higher education, especially technical, tend not to find the use of their knowledge and competencies in real-life conditions of the Russian labor market. But education they got helps them to develop those social and psychological qualities that do not allow them to be at a lower social level, to get professional mobility and strong motivation to achieve results.

### 3. Results

Thus, the modern Russian working class does not fit into the traditional Marxist class theory and contemporary Western theories of left-wing social scientists. Workers represent a complex socio-professional group that combines the features of the owners and employed persons.

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