

Labor market regulation in Eastern Russia in 1918–1922: Institutional factors, mechanisms, and outcomes

Vadim M. Rynkov*

Institute of History, Siberian Branch of the Russian Academy of Sciences, Novosibirsk, Russia

Abstract

This article uses archival documents and periodical publications to analyze the impact of the Civil War on the labor market in the regions of Eastern Russia. It considers key labor market institutions such as legislation, infrastructure (labor exchanges, unemployment funds, and professional and entrepreneurship organizations), and labor contracts. It has been established that there was continuity in the regulatory framework and labor market management tools between the Provisional Government and the anti-Bolshevik governments. The study shows the challenges and shortcomings of managing hiring and dismissal processes by soft regulatory methods given the deep economic crisis. The labor supply was backed by extensive cohorts of prisoners of war, refugees, and foreign workers, which contributed to a drop in labor rates. The government sought to stabilize the situation by reinforcing transactional barriers to reduce employment. The labor market in Eastern Russia was subjected to regionalization and localization.

Keywords: labor market, labor exchanges, hiring and dismissal, Civil War, anti-Bolshevik governments, labor conscription, prisoners of war.

JEL classification: J2, J3, J46, J47, J48, N34, N35.

1. Introduction

One component of the economic crisis, in which Russia found itself as a result of the revolution and the Civil War, was profound upheaval in the labor market. An inevitable outcome of falling industrial output and the shrinking circulation of goods was that it increased hiring costs, hampering economic recovery at both a micro- and macroeconomic level. This study intends to examine the effects of the shocks and assess different ways of mitigating the costs of labor market volatility.

* E-mail address: director@history.nsc.ru

The labor market problems during World War I and the postwar mitigation of its crisis conditions have been the focus of many studies by European economists. But for historians, it has been overshadowed by issues such as changes in workers' living standards, supply, and aspects of the struggle to improve material conditions during the war (Prost, 2014).

Soviet and Russian researchers did not neglect the working class' situation and introduced a lot of factual material, but did not consider the problem of how the labor market functioned and the state's impact on it during the Civil War.

Several studies appeared during the twenty-first century, predominantly focusing on labor relations behind the warring parties' lines. These concentrated mainly on analyzing the income structure and the transformation of living standards for factory and office workers in Soviet Russia and the regions temporarily out of the control of the Bolshevik regime. As applied to Soviet Russia, historians have examined in sufficient detail the main stages and mechanisms of labor mobilization (Borisova, 2006; Ilyukhov, 2007), but neglected the genesis of the institutions which regulated labor movement in 1917–1918. At the same time, they studied a rather broad range of problems related to settling labor conflicts in the eastern regions of Russia, and negotiations between workers and employers over remuneration. Among others, the organization of the labor market, in particular in the Urals and the Far East, became the subject of analysis. We thus have good reasons to summarize the accumulated regional material, fill in the gaps and try to develop a general view of Russia's labor market at a time when the former Russian Empire was in its deepest political and economic crisis, and the government system fragmented by the Civil War was nearly paralyzed.

2. Methods and approaches

This gap cannot be entirely filled in just one article. We chose Eastern Russia for several reasons. While the European part of Russia is represented extensively in both the literature on the history of combatting unemployment and in statistical reviews, the Urals, Siberia and the Far East remain a blank spot in this respect. Moreover, the eastern regions featured an entire political kaleidoscope of successive governments, allowing for a comparative analysis of the results of cautious market-administrative and mobilization impacts on the labor market; the span of events between three and five years in different regions puts the labor market picture into historical perspective.

The key challenge is the lack of consolidated statistical data for Eastern Russia. Only fragmented figures describing local processes have survived. The economy's institutional environment can be reconstructed by relying on regulatory documents, current records and press materials. At the same time, nationwide statistics are only available for 1920–1922, and these do not take the labor market of eastern regions into account.

Due to the specific nature of the sources used in this study, the impact of regulations on labor relations has to be analyzed through observation rather than by calculation. In doing so, it is important to separate broad development patterns and trends from isolated cases. Statistical sources reflecting the state of the labor market in Soviet Russia are also extremely fragmented and cannot be reconciled with the materials for the eastern regions, as they reflect the movement of the labor force recruited by mobilization methods.

The objectives of this study are to examine the functioning of key labor market institutions in the vast area of Eastern Russia, to perform a comparative analysis of the regulatory methods practiced by different political regimes, and to reconstruct the response of social and labor relations to the government's regulatory efforts. The mobilization model of labor market regulation that gained a foothold as a result of the Civil War, and the dominance of coercive labor engagement methods within this model are self-evident and do not require proof. However, this study has the integral goal of finding an economic explanation for this course of events.

Institutionalism in its traditional form is understood as focusing on a set of regulatory and organizational components of economic relations.¹ More specifically, outlines of the labor market's institutional environment include: (a) legislation and other regulations regarding the recruitment and dismissal of workers; (b) infrastructure, i.e. institutions and organizations regulating the movement of labor; (c) contracts executed between workers and employers; and (d) organizations for workers and entrepreneurs which influence the terms of such contracts. Both formal and informal institutions need to be factored into the analysis. Both of these components are reflected in adequate detail in the various narrative sources. It seems obvious that the growth in informal interactions between workers and employers reflects the increasing dysfunction of formalized regulatory and organizational mechanisms.

We find it important to briefly recap the political context of Civil War events in Eastern Russia. Large-scale military action began in late May and June 1918 when, as a result of the Czechoslovak mutiny, the Volga region, the Urals, Siberia, the Steppe region (modern Kazakhstan) and the Far East came under the rule of the anti-Bolshevik governments. The most notable were the Socialist-Revolutionary Committee of the Members of the Constituent Assembly, or Komuch (Samara, June–October 1918), the Provisional Regional Government of the Urals (Yekaterinburg, August–October 1918), and the Provisional Siberian Government (Omsk, July–October 1918). Negotiations between different governments and political groups in Ufa concluded in September with the formation of the Provisional All-Russian Government (Directory), which moved to Omsk in October 1918. It was overthrown later that year as the result of a coup, and on November 18, 1918, the Russian Government of Admiral Alexander Kolchak, the Supreme Ruler of Russia, took control over all of Eastern Russia. The Red Army began an offensive in the summer of 1919, which resulted in the total defeat of the Supreme Ruler by the beginning of 1920, when Soviet power finally settled in the Urals and Siberia. The vast territory of Siberia came under the control of the Siberian Revolutionary Committee, an emergency body. Several successive anti-Bolshevik governments—the Provisional Government of the Primorye Regional Zemstvo Board, the Provisional Government of the Far East, and the Provisional Priamurye Government—remained in power in the Far East until October 1922.

3. The labor market in Russia: Problems of revolutionary transformation

During World War I, employment in Russia was severely shaken by the army draft and refugee crisis; overall, labor demand exceeded supply which resulted

¹ See Raskov (2010) for more detail.

in relatively high wages in industrial and transportation enterprises. Mass discharges from the army along with the start of company closures in the autumn of 1917 changed the situation. The statistics recorded a serious increase in unemployment. The situation was aggravated by the presence of huge numbers of formally employed workers who were not engaged in any productive activity due to a lack of raw materials or funding by the company owners (Sher, 1918). This created objective preconditions for the decline of real wages and employer leverage in the labor market. These processes had similar patterns and features to those observed in the post-war British economy, as traced by A. Pigou, a famous economist who convincingly proved the relationship between the drop in living standards, rising unemployment, and narrowing the scope of trade union activity (Pigou, 1985, pp. 128–149, 170–196).

Around the end of 1917 and into early 1918, about 324,000 unemployed workers had registered with Russian labor exchanges, which included 18,000 in the Urals, 16,000 in Siberia and 3,000 in the Far East. That is, only 11% of registered unemployed workers were located in the Far East (Isayev, 1924, p. 6). According to the available primary sources, unemployment in Russia was vastly underestimated at that time.

Rising unemployment in Russia was caused not just by the impact of the Revolution and the subsequent civil war, but also by the ill-conceived and incompetent decisions of the Soviet authorities. This is evidenced at least by the fact that acute unemployment was accompanied by an ever-increasing shortage of workers at facilities which remained operational (Borisova, 2006, p. 23–24). When Russia was rocked by office worker political strikes during early 1918, the authorities characterized these actions as sabotage. The participants were dismissed and lower-tier workers were promoted to fill vacated positions. Obviously, with the change of power the demand appeared for recovering the labor market's institutional environment.

Labor market infrastructure included labor exchanges, unemployment funds, trade unions and employer unions. On August 19, 1917, the Provisional Government established labor exchanges in cities with populations over 50,000 people. The exchanges were tasked with registering supply and demand for labor, mediating the recruitment, collecting information on the state of the labor market, and taking action to streamline it, among other things. Local governments were responsible for organizing and maintaining the exchanges, and establishing equal representation for employees and employers.

Soviet labor exchange regulations as of February 9, 1918, provided for the compulsory hiring of workers through the exchange, and exchange boards were formed by local trade unions without involvement by the business owners. They were established in all cities with populations over 20,000; maintenance costs were charged to the state budget (Valk et al., 1957, pp. 424–246). Soviet innovations greatly burdened employers as the exchanges controlled by professional organizations dictated their own terms of employment. Nevertheless, the labor exchanges, which received no compensation from the state budget during the Soviet era, eked out a wretched existence.

The peak of the labor exchange establishment process came during the spring of 1918, when they could no longer seriously influence the employment sector. Of the exchanges opened in Russia before October 1, 1918, 77% were set up after

January 1, 1918. The Urals region accounted for 15% of that number, the Volga region for 14%, and Siberia and the Far East for 9% (Anikst, 1918, p. 9, 12–13).

Another legacy of the Soviet regime was the decree of December 24, 1917, on compulsory unemployment insurance at the expense of entrepreneurs. Soviet legislation aimed to create a unified network of unemployment insurance funds financed by the state through tax deductions. Employer contributions were temporarily fixed at 5%. The funds had to pay the unemployed the average earnings of a daily laborer (Valk et al., 1957, pp. 200–205, 424–426). Enforcement of these regulations apparently increased labor rates and overhead costs. This type of insurance was still in a nascent stage by the time Soviet power fell in Eastern Russia. Paying unemployment benefits and providing free meals to the unemployed only encouraged the welfare mentality and demotivated the unemployed from looking for jobs (Shvets, 1999, pp. 224–225). To complete the picture, the influence of trade unions was also increasing, as they received the right to approve labor rates.

Falling production volumes caused real wages to drop. The policy during the first months the Soviets were in power, referred to as the “Red Guard attack on capital,” led to an artificial expansion of the workforce, while the omnipotence of trade unions helped to slow down the decline in wages, thus preventing facilities from operating profitably, and delaying the collapse and closure of some companies and the long-overdue disposal of the superfluous labor force for others.

The explosive growth of labor exchanges and the rise in non-wage labor costs coincided with a period of sharp excess labor supply, an accelerating decline in living standards, and an increase in trade union influence caused by purely political factors that artificially restrained the fall in wages.

4. Political and economic drivers of employment trends

The key issue after the anti-Bolshevik coup was the attitude towards Soviet labor-related decisions. Per its order of July 1, 1918, Komuch instructed that all who had been dismissed during the prior months be paid their full salary until they were reinstated in their jobs. The strikebreakers who took the place of the strikers were dismissed without any remuneration (Dodonov, 2011, pp. 170–173). This order provoked a wave of conflicts among employee teams and even public protests in the Samara and Ufa provinces.² Per its order of July 7, 1918, Komuch banned lockouts and retained all Soviet hiring and dismissal regulations (Orders, 1918, pp. 57–58; Lapandin, 2006, vol. 2, pp. 157–158; Dodonov, 2011, pp. 181–182). However, these orders were poorly aligned with the reality of declining industrial production and failed to prevent mass closures of unprofitable enterprises (Krol, 1947, pp. 71–73; Garmiza, 1955, pp. 35–36).

Institutions established to serve the Soviet government in Siberia have been liquidated. The fall of the Soviet power was considered the effective dismissal date. No monetary claims on their part were to be satisfied. Workers could be downsized if their numbers were unduly inflated under Soviet rule (Shishkin 2007, pp. 96–97).³ Things turned out to be more complicated in practice. The railway administration

² The Komuch Gazette. 1918. July 25; Voice of the Worker. Ufa, 1918. July 21, 24, 29. Proceedings of the Ufa City Duma Provisional Committee. 1918. July 21.

³ State Archive of the Russian Federation (hereinafter GARF), fund R-151, inv. 1, file 1, sheet 7; file 3, sheet 4.

ordered the dismissal of all active supporters of Soviet power, even if they were not currently involved in anti-government activities.⁴ The authorities urged the administrations of enterprises and institutions to take back the employees dismissed by the Soviet regime—naturally, after freeing up places for them.⁵ The staff purges, guided by political motives as much as by the interests of streamlining production processes, lasted for almost a year, until mid-summer 1919.⁶ Trade union sources reported that hundreds and thousands of protesters against Soviet rule were fired. The railroad administrations had ample justification for downsizing. The number of employees at all levels had been unnecessarily inflated during the previous year, and warranted a rationalization. However, those dismissed for cooperating with the Soviet regime were not entitled to severance pay.⁷ The railroad administration found a way to cut costs by firing workers “for Bolshevism”.⁸

Staff purges were ubiquitous, affecting various industries, state-owned and private enterprises, and becoming the biggest factor in employment volatility (Krasnyi Arkhiv, 1938, p. 41).⁹ Employers managed to overcome the legally imposed transaction costs of downsizing by removing employees for political activity. Under this pretense, they got rid of the most ardent workers’ rights activists, reducing the staff’s overall readiness to stand up for their labor rights and thus reducing labor costs. At the same time, the team leader dismissals generated additional labor conflicts at these enterprises. The return of workers who were fired during the autumn of 1918 was one of the key motives behind the strikes (Gnatovskaya, 1991, p. 145).¹⁰ Thus, during the summer and autumn of 1918, political factors intensified labor market movement in the eastern regions, while also contributing to a decline in productivity through a series of protracted political and labor conflicts.

The trade unions protested against the introduction of political repressions into labor relations. They demanded that their prerogative to approve the hiring and dismissal of workers be retained,¹¹ and that all dismissed workers be entitled to severance pay regardless of political views.¹² Sometimes workers’ organizations offered flexible and socially-oriented downsizing options. The Delegates’ Congress of Factory and Office Workers of the Samara-Zlatoust Railroad, which was held on August 2–18, 1918, agreed with the administration’s proposal to dismiss redundant workers. At the same time, the Congress developed a system of priorities by which former gendarmes and policemen were to be fired in the first place; those who had joined the railways during the war in order to avoid military service in the second place; those who had additional income from agriculture or other side occupations in the third place; those who had relatives working

⁴ Zheleznodorozhnik (Tomsk), 1918, August 18.

⁵ GARF, fund 176, inv. 5, file 43, sheet 37–37 rev.

⁶ GARF, fund R-341, inv. 1, file 39, sheet 181; Bulletin of the Ministry of Railways (Omsk), 1918, iss. 1–3, p. 4; *Altaysky Luch*, 1918, July 8, 16, 25.

⁷ Zheleznodorozhnik (Tomsk), 1918, August 13.

⁸ *Sibirsky Rabochiy* (Irkutsk), 1919, No. 4, p. 8.

⁹ State Archive of Novosibirsk Region (hereinafter GANO), fund D-149, inv. 1, file 7, sheet 53, 60.

¹⁰ GANO, fund D-149, inv. 1, file 17, sheet 12; State Archive of Khabarovsk Region, fund P-44, inv. 1, file 583, sheet 11–12; *Narodnoe Delo* (Orenburg), 1918, July 16; Zheleznodorozhnik (Tomsk), 1918, October 30; *Primorskaya Zhizn* (Vladivostok), 1918, November 10, 29; *The Weekly* (Harbin), 1919, No. 3 p. 10.

¹¹ *Altaysky Luch*, 1918, July 25; *Rabocheye Znaniye* (Tomsk), 1918, July 21.

¹² GANO, fund D-149, inv. 1, file 166, sheet 21.

for the railways in the fourth place; and finally, teenagers other than orphans, in the fifth place.¹³ This is by far not the only available example.¹⁴

The increased mobility in employment was alarming. The Urals authorities tried to mitigate the social consequences of declining employment. On September 10, 1918, the Provisional Regional Government of the Urals adopted a decree on warning periods and remuneration amounts in the event factory or office workers were dismissed. If an employee had spent less than 6 months at the enterprise or institution, they would be given a two-week notice of the dismissal with one week of severance pay; in the event of a longer employment record—the notice period would be increased to one month and severance pay would be increased to six weeks. In case of early dismissal, the employee would receive an extra two-week or one-month allowance (Slavko, 1999, pp. 116–118).¹⁵

The Russian government adopted a similar rule on May 9, 1919. The new law was based on the Industrial Labor Code of 1913, the difference being that the employer was obliged not only to give advance notice of the intent to terminate an employment contract, but also to give the employee at least 24 hours of paid time to look for a new job. If the employee did not receive his wages on time, he or she could demand termination of the employment contract in court. In this case, the employer was to pay the wages due, along with a fine. Depending on the period and conditions of service, the fine varied from two weeks to two months of wages, including the cash equivalent of all in-kind allowances.¹⁶

The law substantially improved protections for hired workers. These norms invariably forced law-abiding employers (which represented the majority) to comply with the terms and procedures for employee dismissal. Consequently, these measures increased employer transaction costs related to regulating the number and composition of employees. The law was also intended to discipline workers by encouraging them to execute full-fledged employment contracts. The unions were also expected to move their worker protection efforts into the legal field. But all of these positive initiatives could only benefit from a stable social and economic environment, whereas a political emergency was brewing in the Eastern Russia which prevented the newly adopted regulations from being implemented.

In other words, the outcome of the legislative initiative introduced by the Ministry of Labor cannot be judged solely by the Law of May 9, 1919. The legal document was seen merely as the first step in regulating employment and dismissal relationships, all the mechanisms of which were to be incorporated later with the adoption of a bill on “payroll books” which were prepared for submission to the Council of Ministers in late summer and early autumn 1919, but were never adopted due to time shortage.

Overall, the trade unions in Eastern Russia became significantly weaker during the second half of 1918 and into 1919: their numbers and membership decreased. Yet they still played an active role in the negotiations between employers and employees, negotiated common wage agreements on a city-wide or industry-wide basis, and remained an important factor in restraining wage drops and mass layoffs.

¹³ The Free Word (Samara), 1918, September 2.

¹⁴ GANO, fund D-149, inv. 1, file 169, sheet 48.

¹⁵ State Archive of Sverdlovsk Region (hereinafter GASO), fund R-1951, inv. 1, file 2, sheet 12–13.

¹⁶ The Government Gazette, 1919, June 3; GARF, fund R-176, inv. 5, file 91, sheet 40–40 rev.

In the final phase of the Civil War in the Far East, political motives once again became drivers for worker mobility in the marketplace. One of the first actions taken by the Provisional Government of the Primorye Regional Zemstvo Board was a decree issued on February 1, 1920, ordering the reinstatement of all workers fired between June 29, 1918, and February 1, 1920, for political activity, trade union work, or strikes. However, this forced downtime was counted as service and was to be compensated at the rate in effect at the time of reinstatement. This measure was a replica of the previous anti-Bolshevik acts regarding the reinstatement of workers dismissed by the orders of Soviet authorities¹⁷. On February 26, 1920, another decree followed which was effectively an act of political revenge in labor relations. Per its resolution of February 26, 1920, the Provisional Government of the Primorye Regional Zemstvo Board authorized the management of state institutions to withdraw severance pay from the “active defenders of the fallen power.”¹⁸ The Socialist-Revolutionary authorities of Primorye acted in a similar manner to that of the Soviet government during the first months of 1918.

It is interesting to note that political and economic factors acted unanimously towards reducing employment. It is no wonder that employers sometimes disguised downsizing as layoffs for supporters of the Soviet power.

5. Labor exchanges: A tool for regulating labor supply and demand

The labor market in Eastern Russia underwent a severe metamorphoses from the second half of 1918 through 1919. On the one hand, many enterprises closed and many more reduced output, resulting in a declining demand for labor. On the other hand, the constant inflow of refugees and workers laid off from local enterprises created a huge layer of unemployed people offering their labor services. At the same time, new enterprises were opening, so the demand for skilled labor remained high. Establishing a relevant mechanism for regulating supply and demand remained an urgent labor relations issue.

It is quite hard to quantify the surplus labor force. According to I. V. Narskiy, the regional labor exchange registered 25,000 unemployed in the Urals prior to the fall of the Soviet power (Narskiy, 2001, p. 84), while the press claimed that there were only 24,000 employed and 11,000 unemployed in the region.¹⁹ Sources also indicate that the situation may have changed dynamically with the change in power. There were about 7,500 workers in the Nevyansk mining district during the Soviet rule; in the autumn of 1918, there were 2,240 unemployed at the stock exchange and 1,000 working in the factories.²⁰ Whether this inconsistency in the figures was due to underreporting or a result of workers leaving to go to other regions is anyone’s guess. Despite the discrepancies between various newspaper and archival sources, the general trend towards the deterioration of the situation is obvious.

Not only a high unemployment level, but also the continued demand for cheap labor should be taken into account. Here is one example. Newspapers wrote that 239 people were registered at the Vladivostok labor exchange during the week of

¹⁷ The Provisional Government Gazette — Primorye Regional Zemstvo Board (Vladivostok), 1920, February 15.

¹⁸ *Ibid.*, February 29.

¹⁹ *The Siberian Worker*, 1919, No. 2, p. 9; this is the number of the unemployed in the entire Urals area quoted by R. A. Khaziev (see: Khaziev, 2007, p. 47).

²⁰ *Our Way* (Tyumen), 1918, November 29.

September 23–30, 1918; 74 people found a job, 297 requests for work remained outstanding, and the total number of unemployed in the city was 576.²¹ This information is far from being indicative of a labor market disaster, but it clearly shows an excess supply of low-wage positions that were unattractive for most of the unemployed. Fragmented statistics reflect a similar situation in many cities across Eastern Russia. However, the labor exchange statistics should not be taken as the ultimate truth. It often did not reflect actual employment trends, but rather just the officially registered portion of this movement. Based on the aggregated data, the demand for labor in Soviet Russia remained at half the level of supply throughout 1918 (Isayev, 1924, p. 21).

The Soviets issued a decree launching the creation of unemployment funds. Their opening coincided with a decline in production, dooming the funds to a miserable existence. Komuch tried to modify the Soviet unemployment protection standards. Following the Komuch orders of June 25, and July 26, 1918, city unemployment funds were established with joint participation by the state, workers and employers. The contributions were fixed at 13.5% of the total earnings from all workers (4.5% were paid by the state and local/municipal authorities each, 3.0% by private hirers, and 1.5% was withheld from the wages of factory and office workers). It was expected that the funds would be sufficient to cover food and subsistence allowances for all of the registered unemployed (Orders, 1918, p. 29, 92–93; Lapandin, 2006. Vol. 2, pp. 156–157, 159; Dodonov, 2011, pp. 159–160, 203–204, 325–329).

The negative attitude of Komuch towards the Soviet practice of insuring trade union members against unemployment by collecting mandatory contributions from entrepreneurs, and its readiness to split the costs between several participants testify to a somewhat balanced opinion among the moderate socialists. The global experience of social transfers in the face of mass unemployment has shown a progressive demoralization of workers and a reduction in the productivity of those who remained employed (Polanyi, 2002, pp. 92–97; Sidorina 2010, p. 60). In the Volga region, the government set the contributions too high, which was practically infeasible given the decline in production, and caused protests by all of the potential stakeholders (Bubnov, 1975, p. 43).²²

The labor market was notoriously unstable and poorly regulated; no wonder its participants quickly adapted to any attempts to tighten it. The desire of trade unions to keep wages at the level set by collective agreements resulted in illegal hiring practices, and the illegally employed people also registered as unemployed at the labor exchange to receive benefits. Here is just one example backing this assumption. In September 1918, the Samara Exchange stopped paying unemployment benefits, after which the number of people looking for jobs through the exchange dropped to about one third (493 women and 368 men). Most of those previously registered as unemployed were petty traders who had small earnings but applied to the exchange for benefits.²³

Komuch remained the only anti-Bolshevik government in Eastern Russia to retain compulsory unemployment insurance in its laws. But the authorities gener-

²¹ Primorskaya Zhizn (Vladivostok), 1918, October 4.

²² Syzran Herald (Syzran), 1918, September 10, 24; Ufinskaya Zhizn, 1918, July 22 (August 4); October 18, 31.

²³ The People (Samara), 1918, September 11.

ally did not prevent workers from insuring themselves with their own money. Unemployment funds operated in large cities and factory towns.²⁴ At times, the cash funds were able to guarantee unemployed workers a benefit equal to the minimum daily wage with even some allowances for dependent family members. Naturally, the employers did not like this very much, because the existence of such funds raised labor rates. But more often than not, the situation did not pose a threat to employers or inspire optimism in workers. The Ufa Union of Food Industry Workers counted 1,102 members, of which only 300 people paid their contributions on time, and 400 were registered as unemployed. A 5,000-ruble fund was collected for them which translated to 12 rubles per unemployed person (approximately one day's wages).²⁵

This situation explains why labor exchanges did not function satisfactorily. Employers rarely sought their help, and did not submit vacancy announcements.²⁶ Unemployment insurance schemes were even less effective. They did not create additional benefits in opposing the employers. Bankrupt, cash-strapped companies often had no money to pay higher wages. Changes in the regulatory framework were urgently needed to meet the demands of the era.

Zemstvo (county) and city governments in Eastern Russia were proactive in changing Soviet legislation. On August 14–21, 1918, at the extraordinary meeting in Samara of representatives from the cities and *zemstvos* of liberated Russia, the government's labor authorities were criticized for a lack of coordination. The speakers called for transferring market regulatory powers to city governments, and outlined two initiatives for improving the social and labor sector: the creation of regional labor exchanges capable of transferring parts of the labor force to neighboring provinces, and the organization of public works with the goal of improving the urban economy.²⁷ Thus the anti-Bolshevik camp outlined an alternative development for labor law, which was similar in spirit to the Soviet labor policy of the same time.

The only known attempt at rule-making by the local self-governance bodies is the Provisional Regulation regarding the Primorsky Regional Labor Exchange, adopted on October 19, 1918. Based on the laws of the Provisional Government, it was amended to take local conditions and practices into account. The regional labor exchange united the work of all similar local institutions established on a parity basis. The exchanges provided intermediary services on a free and voluntary basis, were financed by city and *zemstvo* municipalities, were focused on executing existing collective agreements and had the right to refuse service to clients who offered conditions that were sharply different from the average market.²⁸ Evidently, *zemstvo* officials took into account the realities of the revolutionary era with its convoluted labor conflicts and developed exchange operating procedures so as to stimulate negotiations between employers and employees.

The Siberian lawmakers started drafting a bill on labor exchanges during the summer of 1918. The government's point of view turned out to be generally

²⁴ Uralsky Pechatnik (Yekaterinburg), 1918, No. 1, p. 10; Siberian Worker, 1919, No. 2, p. 9; No. 10, p. 17; No. 11, p. 6; No. 12, p. 9.

²⁵ Bulletin of the Ufa Trade Unions Council, 1918, No. 1, September 15, p. 8.

²⁶ Kurgan Free Thought, 1918, June 26 (July 9).

²⁷ Central State Archive of Samara Region, fund 5, inv. 9, file 1199, sheet 96–97.

²⁸ Zemsky life of Primorye (Vladivostok), 1918, No. 5, pp. 19–20.

close to the ideas of entrepreneurs, who insisted on complete freedom in hiring at the regional congresses during the summer and autumn of 1918 (Taniaev, 1929, p. 53; Chernyak, 1991, part 1, p. 280).²⁹ The Labor Ministry took these suggestions into account and amended the original draft to prevent entrepreneurs from abusing it, and to make the labor market transparent for all participants and the state.

On November 14, 1918, the Provisional All-Russian Government adopted a decree on labor exchanges. They were to be transferred to the Ministry of Labor and funded by the state, with partial reimbursement by the local authorities. The labor exchange board envisioned equal representation among entrepreneurs, trade unions, city and *zemstvo* boards, and the Ministry of Labor. Instead of mandatory hiring through the exchange, the new policy introduced mandatory registration of all hiring and dismissal transactions, whether or not they were made through the exchange. This turned the exchanges into bodies of record for labor market movements (Shishkin, 2010, pp. 328–331).³⁰

The law was met with protest from trade unions. Workers demanded a ban on hiring by employers who set wages below the level stipulated in collective bargaining agreements. This required centralization and monopolization of the labor supply by the workers. Trade union leaders' skepticism towards the prospects for the exchanges under the new law was largely justified. Indeed, the establishment and operation of these institutions was delayed for reasons of secondary importance. Entrepreneurs easily circumvented the legislation by not registering hirings and firing, as the law provided no sanctions for violating this requirement (Shemelev, 1928, p. 180).³¹ In February 1919, there were 23 labor exchanges operating in Siberia and 7 in the Urals, but all of them were extremely unstable due to a lack of funds (Nikonova, 1996, p. 149).

The positive aspects of the new law become evident if we abandon the short-sighted and narrow class approach. By implementing mandatory hiring through labor exchanges, the post-revolutionary legislation disorganized the labor market, since with disastrously low production profitability and excess labor supply, it is not natural for the labor force to dictate the hiring terms. Free bargaining and free competition for workers then become impossible. The new law lifted many restrictions and made accounting a state affair. Its potential effects could be better realized at the production recovery stage. For the time being, the economic downturn itself did not favor institutions that regulated the hiring of labor. Therefore, the performance of labor exchanges under “White” rule remained poor, no matter how much they were promoted by the government. Lawmakers took this into account and did not expect a quick effect. In addition, the regulation of labor relations had to span a broader range of laws, including the law of May 9, 1918, on dismissals and the never-adopted law on compulsory payroll books.³² The former required employers to give employees one paid day a week to look for a new job after issuing a notice of dismissal, which could revive the exchanges, and the latter would have regulated the registration of workers to a certain degree.

²⁹ The Free Siberia (Krasnoyarsk), 1918, September 4.

³⁰ The Government Gazette, 1918, December 22; The Siberian Worker, 1919, No. 1, pp. 12–13; GARF, fund R-176, inv. 5, file 42, sheet 114.

³¹ The Siberian Worker, 1919, No. 1, pp. 5–6; No. 8, pp. 20–21.

³² The Government Gazette, 1919, July 6.

On September 10, 1920, after the fall of the Kolchak regime, the Provisional Government of the Far East introduced a new labor exchange regulation, which for the most part reinstated the regulation of October 19, 1919.³³ The biggest innovation was that all private intermediary offices were to be closed upon the opening of the *zemstvo* or city exchange. With the transfer of power to the Primorye Regional Department of the Far East Republic, an important addition was made to the law on labor exchanges, bringing it much closer to the Soviet legislation. Recruitment through the exchange became compulsory for workers and employers. Persons who found a job without the help of a labor exchange were subject to dismissal. The hiring procedure looked more like a preparatory stage for mobilization. Registration of the unemployed at the exchanges became mandatory.³⁴ However, these strict regulations were never implemented in practice.

A radical breakthrough in labor market infrastructure occurred in Soviet Siberia. Instead of labor exchanges, labor distribution departments were established within the government structure. All unemployed people were to register with the department and obey work placement orders. The legal labor market was replaced by the distribution of labor resources.

6. Labor market regulation mechanisms: Public works vs. foreign workers and prisoners of war

Labor market management techniques such as public works were widely used at that time. The city authorities did not have much success in launching these, mainly due to a lack of funding and excessive bureaucracy. In addition, registered urban unemployment was largely fictitious, and people with illegal earnings would not be engaged in low-paying jobs.³⁵ In the summer of 1918, the Krasnoyarsk city council organized public crews of the unemployed to chop firewood. Prisoners of war who had previously been doing this work for the city were sent back to the camp.³⁶ The Kurgan city council approved hiring the unemployed for minor urban work (e.g. the construction of a dump, etc.) in July 1918. Not surprisingly, employers noted the extreme lack of diligence and integrity in these workers.³⁷ The examples are endless. Importantly, these public works projects demonstrated the complex interaction between different employment segments: free and forced labor, domestic and foreign, and expensive and cheap. The dysfunctions in the labor market were of a complex structural nature, and incompetent interventions introduced new failures rather than addressing existing problems.

The idea of public works got a second wind in Primorye Region in 1920, actually becoming part of state policy. It was related to the demobilization of a huge army which was no longer necessary, with three to four thousand former Russian prisoners of war arriving in the region from Germany and Austria, along with thousands of refugees returning from Transbaikalia, Priamurye and Manchuria.

³³ The Provisional Government Gazette..., 1920, September 10.

³⁴ Primorsky Region Gazette (Vladivostok), 1921, April 29.

³⁵ Zarya Povolzhya (Samara), 1918, July 3; Land and Liberty (Samara), 1918, July 7; The Joint State Archives of Chelyabinsk Oblast, fund P-596, inv. 1, file 11, sheet 7 rev.–8 rev.; file 131, sheet 2–4 rev., 6;

³⁶ Liberty of Siberia (Krasnoyarsk). 1918. July 10.

³⁷ Kurgan Free Thought, 1918, June 26 (July 9).

They all joined the swarm of the unemployed. But there was also another side to this situation. Due to the low wages, most people did not want to do the jobs that generated barely enough profit to justify the cost of labor. For this reason, the cities of Primorye suffered without fuel and construction materials, with dozens of abandoned industrial enterprises that could be restarted given competent production management.³⁸

In April 1920, the Provisional Government of the Far East had the idea to organize labor crews from the demobilized troops. The Special Committee on the Organization of Demobilized People's Work was established in Vladivostok in the summer of 1920. It set up small crews of former officers and soldiers throughout Primorye that carried out exchange trade with peasants, coastal cargo transportation, and small soap-making, flour-milling, shoe-making, blacksmithing, and loading work. By the end of 1920, the Special Committee had several departments, including the factory and mining departments, which had no enterprises within their jurisdiction. Despite this extensive structure, the committee was able to provide employment for just over two hundred ex-military personnel.³⁹ Notably, the Vladivostok Labor Exchange had a very negative opinion of this institution's operations. The management of the exchange insisted on its exclusive right to mediate hiring and organize unemployment reduction measures. A stronger argument was also voiced: government agencies should help all of the unemployed without exception, while Special Committee provided employment to just one category of the unemployed to the detriment of others. The effectiveness of state support measures remained low. Former military personnel had to look for work mostly on their own and at their own risk. They were kept out of lucrative employment opportunities by well-organized local workers. Bloody confrontations are known to have occurred between the crew of Kappel's movers and members of the Movers Union in Vladivostok in September 1921 (Filimonov, 2005, p. 65).

Excess labor supply hindered the successful organization of public works, as it excessively reduced the level of wages offered. Few people agreed to fill the vacancies due to the miserable pay. Since the laws did not allow wages to be set below the subsistence minimum, the actual wages were agreed to during illegal negotiations. However, cheap labor was needed to make production more profitable. The natives of Korea and China, who had migrated beyond the Urals in the preceding years, competed strongly with local workers in Eastern Russia in 1918 and 1919. After the anti-Bolshevik coup, the Chinese began to return from European parts of Russia to places closer to their homeland. Between January 1 and March 18, 1918, 17,902 Chinese workers passed through Yekaterinburg on their way to the East (Ippolitov and Minaev, 2013, p. 138). Many of these people never returned to China. At the same time, more and more workers continued to arrive from Manchuria. Enterprise managers and entrepreneurs in Eastern Siberia and the Far East preferred to import excessive numbers of migrant laborers from China, thus bringing down labor prices (Kalnin, 1929, pp. 141–142).⁴⁰ Employers tried to hire the Chinese in lieu of striking workers, motivated by the intransigence

³⁸ GARF, fund R-3630, inv. 1, file 1, sheet 80 rev.–81.

³⁹ GARF, fund R-3630, inv. 1, file 4, sheet 3–7, 17–26, 29–30, 54–58 rev.

⁴⁰ Free Kurgan Gazette, 1918, June 16 (29).

of Russian workers and their excessive demands on the employers (Krasnyi Arkhiv, 1938, pp. 36–37),⁴¹ and the local government supported those aspirations.⁴²

Prisoners of war represented another kind of labor resource. According to V. G. Vegman (1929), there were about 240,000 POWs in Siberia and the Far East at the time. Around 385,000 prisoners of war settled in the Urals by rough estimates (Danilov, 1993, p. 28). Prisoners of war constituted 17% of factory workers on average in the Urals in 1915; by 1916 this figure increased to 29%, and as high as 40% in some mining districts (Surzhikova, 2010, p. 41).

The Czarist procedure of supplying affordable and cheap forced labor made domestic workers less attractive to employers and established a general downward trend in wage levels (Drobchenko, 2008, p. 284).⁴³ Trade unions and worker organizations took a firm stand against the use of POW labor as early as 1917. They demanded it either be completely prohibited or that POW laborers be paid on par with Russian workers (Zolnikov, 1966, pp. 233–236). Interestingly, a similar attitude was adopted in Germany towards Russian POWs as labor market competitors after signing the Armistice of Compiègne and the November revolution. Just as in Eastern Russia, the situation was aggravated by suspicions regarding the political disloyalty of foreign workers, either forced or voluntary (Nagornaya 2010, p. 80). With the onset of Soviet rule, POWs could now be hired on a voluntary basis and their work was paid at average market rates (Grekov, 1997, pp. 154–180; Schleicher, 2000, pp. 71–78, 95–104; Solntseva, 2002, pp. 143–148; Ikonnikova, 2004, pp. 51–60). Most of them were indifferent to politics, but given the collapse of employment and welfare, they were willing to serve any power that could feed and clothe them. The Bolsheviks quickly realized this, and created “internationalist” units composed of these people (Fomin, 1958, pp. 208–210).

The Czechoslovak Revolt changed many things. Perceiving German and Austro-Hungarian prisoners of war as an enemy army, the Czechoslovak Legionnaires sent them back to the POW camps, creating an opportunity to use large numbers of the able-bodied male population in Eastern Russia (Brändstärm, 1929, p. 251–252). It was potentially a highly mobile mass, although one could not ignore their physical fatigue, mental depression and lack of political reliability.

The military authorities of the Volga region, the Urals, and Siberia offered to use prisoners of war as cheap labor for the factories, mainly in the defense industry (Trotsky, 1929. vol. 2, p. 131; Lapandin, 2006. vol. 1, p. 204; Dodonov, 2011, p. 169; Gergeleva, 2007, p. 74; Surzhikova, 2014, pp. 123–124).⁴⁴ A special inter-departmental working group was in charge of allocating the work. In accordance with the Provisional Siberian Government regulations of June 29, 1918, employers were to send the income from the POW labor into the treasury, deducting the costs for their upkeep.⁴⁵ The local authorities tried to prevent competition with unemployed Russian citizens (Orders, 1918, pp. 42–43; Lukov et al., 1998, pp. 138–143;

⁴¹ The Workers World (Vladivostok), 1919, January 20; The Primorye Worker (Vladivostok), 1919, No. 1–2, pp. 16–17.

⁴² The Far East (Vladivostok), 1919, March 20.

⁴³ GANO, fund D-149, inv. 1, file 166, sheet 106–107 rev.

⁴⁴ Liberty of Siberia (Krasnoyarsk), 1918, June 29; The New Kazan Word, 1918, August 16; GASO, fund R-1951, inv. 1, file 18, sheet 2.

⁴⁵ Siberian Herald (Omsk), 1918, August 18; Collection of Laws and Orders of the Provisional Siberian Government (Omsk), 1918, No. 6, article 63.

Shishkin, 2007; pp. 208–211).⁴⁶ On October 20, 1918, the Directorate adopted another regulation, allowing Slavic and Romanian prisoners of war to enlist in national military units or form special labor companies, while German, Magyar and Turkish POWs were concentrated in large camps and engaged in work per orders by the military authorities of the Provisional All-Russian Government (Shishkin, 2010, pp. 174–175; Efimenko, 2018, pp. 473–474).

In reality, however, the use of POW labor was poorly managed. The existing procedure at the time did not allow for any control over paying employer income into the state budget; the workers demanded comfortable conditions and, having been refused, preferred to idle away their time in the camps, dining at the state's expense.⁴⁷ On May 15, 1919, the Council of Ministers established new rules for releasing prisoners of war to work. Special interdepartmental commissions in major cities registered prisoners of war by category and specialization, and allocated them to jobs. Defense industry needs were met as a first priority, followed by civil agencies, and finally by county and municipal governance bodies during the performance of agricultural and public works. An important condition for utilizing POW labor was the absence of similar services offered by domestic workers on the labor exchange. Anyone besides government agencies utilizing POW labor had to pay for it in advance at $\frac{2}{3}$ of the market wage for workers of comparable qualifications, plus the expenses for escorting, guarding, and allowances (clothing, food, housing and medical care).⁴⁸

As of June 1, 1919, there were 12,965 officers and 146,873 soldiers registered in the camps of the Kazan, Omsk, Irkutsk and Priamursk military districts.⁴⁹ With such extensive labor resources, the authorities still failed to provide sufficient manpower to construct even vital infrastructure for the Siberian economy.⁵⁰ The suspicion of links between POWs and the Bolsheviks, thoroughly fueled by propaganda, also had an impact. The authorities would rather have them locked up in concentration camps under guard than give them the mobility and wider contacts with the local population associated with employment. This did not preclude hundreds and thousands of POWs from wandering idly around the cities without any accountability⁵¹ and running off at the first opportunity when recruited into labor (Surzhikova 2014, p. 124). One should also take into account the poor upkeep and provisioning of forced labor. There are reports that the administration left Germans and Magyars who were sent to the South Siberian railway without housing and clothing, and with little to no food. At the same time, they lived under almost no security in the desert (one guard per 50 prisoners). Not surprisingly, they fled in groups of 40 (Bagryantsev et al., 1963, p. 365).

Changes to the rules governing the detention and utilization of prisoners of war were only made after the fall of the Kolchak rule. Colonel A. A. Krakowiecky, commander of the land and sea forces of the Provisional Government — Primorsky Regional Zemstvo Board, declared on February 21, 1920, that prisoners of war

⁴⁶ Kurgan Free Thought, 1918, July 16 (29).

⁴⁷ Russian State Military Archives (Hereinafter: RGVA), fund 39597, inv. 1, file 104, sheet 55–55 rev.

⁴⁸ The Government Gazette, 1919, June 19.

⁴⁹ RGVA, fund 39466, inv. 1, file 60, sheet 2–4, 19, 32.

⁵⁰ Russian army, 1919, August 31.

⁵¹ State Archive of Khabarovsk Krai, fund P-44, inv. 2, file 550, sheet 1; Newsletter. Emergency issue (Vladivostok), 1919, May 12.

were free and could leave the camps. Those who chose not to return to their home country could be employed on par with Russian citizens. Those who wished to remain in the camps were given a soldier's rations. Such prisoners of war could be employed by the authorities.⁵²

Public works, which were an extremely popular idea among Russian socialists of all shades, were also used in Soviet Russia. Their effectiveness did not differ much from those organized in the anti-Bolshevik territories. Under poor management, lacking in investment and oriented towards low-skilled labor, they proved to be short-lived, bringing neither relief to the unemployed nor much benefit to the organizers (Isayev, 1924, pp. 21–22). In the Soviet camp, however, public works were soon replaced with forced labor for wider groups of able-bodied citizens not engaged in skilled industrial labor. Unlike the indecisive and ambivalent half-baked measures of the White rulers, the Soviet authorities also took a drastically different approach towards POWs. As early as the summer of 1918, the Bolsheviks set about utilizing prisoners of war, including those from foreign states, as labor resources. As the Civil War progressed, this course only intensified and tightened (Paschina, 2007, pp. 191–192). On January 2, 1920, the Siberian Revolution Committee declared all able-bodied prisoners of war to be labor-mobilized (Gergileva, 2007, p. 95; Surzhikova, 2014, pp. 317–318).⁵³ Refugees who were not engaged in agricultural work were also engaged in forced labor.

7. Civilian mobilization

Another resource for economic mobilization that the anti-Bolshevik governments failed to make sufficient use of was the civilian population. Local authorities continued sporadic attempts to mobilize the public to perform various works all the way into the summer and autumn of 1918. City leaders in the Volga Region, the Urals and Siberia engaged artisans and ordinary residents to produce the intendant supplies, either free of charge or for a small fixed fee, which caused discontent (Krivonosov, 2001, pp. 383–384).⁵⁴ These measures facilitated the supply of various individual items to the army, but failed to address the problem systematically. Moreover, they set the townspeople against the authorities. But more often than not, the intendants declared free auctions for army supplies and weapons and had to pay for labor at market rates. This approach did not allow for an efficient concentration of skilled industrial and craft labor in the volumes required by the authorities.

Another mobilization technique actively used in front-line counties or in guerilla action areas was the engagement of cart men with horses and carts. The mobilized cart men received soldiers' rations and feed for their horses during the move, but they had to cover their costs for getting to the work area. Since a large number of horse-drawn carts was needed at the encampments, hundreds of cart men were mobilized, working in shifts over several days. The cart duty quickly turned out to be a serious blow to the front-line farms, diverting both available and critically needed labor resources.⁵⁵

⁵² GARF, fund R-4531, inv. 1, file 34, sheet 41–42.

⁵³ GANO, fund R-1, inv. 1, file 47, sheet 42.

⁵⁴ Land and Liberty (Syzran), 1918. August 18 (5); Kungur Herald (Kungur), 1919, February 21.

⁵⁵ The Center for Document Storage on the History of the Modern World for East Kazakhstan Region (hereinafter CHDNI VKO), fund R-48, inv. 1, file 194, sheet 132–133, 377–377 rev.

Repeated attempts have been made to conscript the population for construction and agricultural work. This resource was used most decisively in the Steppe region, where the Kazakh population was forced to work on building the South Siberian railway,⁵⁶ used as cart men for transporting military cargo and military personnel. In 1919, during the Russian army's summer offensive, the Ministry of Internal Affairs offered to organize worker crews to help the families of army recruits and volunteers. The military department of the Siberian Cossack host enthusiastically took up the idea, persistently requesting 15,000 refugees to work at the drafted Cossacks' households (Rynkov, 2017, pp. 401–402). Refugees were actively recruited for agricultural work, though this measure yielded very few results. The entire Kazakh male population aged 18 to 43 had to be mobilized.⁵⁷ The burden of mobilization was distributed unevenly between different regions, overburdening the Kazakh economy and dealing mass devastation to the indigenous population.⁵⁸

The Russian government did not take sufficient action to create a regulatory framework and offer administrative and organizational support for civilian labor mobilization campaigns. The solution to this problem lay with the military leadership on the ground and local governance bodies, which acted in an ad-hoc and haphazard way.

Central governments were focused on other things. Unable to pay decent salaries to its employees, the Russian government experienced an acute shortage of skilled personnel. Employees at the lower levels of the state government and *zemstvo* and city administrations were enlisted in the army, while a significant portion of qualified specialists preferred to get jobs at commercial enterprises and institutions. As a result, there was an acute shortage of workers in the social sector: healthcare, food supply, and school teaching (Zvyagin, 2007; Obukhov et al., 2008, p. 264).⁵⁹ The Council of Ministers of the Russian government had been discussing the issue since September 1918.⁶⁰ On May 6, 1919, it passed a decree on labor conscription.⁶¹ It allowed conscripting individuals of certain “intellectual professions” aged 21 to 55 as needed. On July 8, 1919, the Council of Ministers decided to register all office workers subject to conscription.⁶²

The proponents of expanding this measure within the government advocated the organization of full-scale centralized accounting and allocation for all labor resources.⁶³ Meanwhile, its opponents pointed out the limited mobilization capacity of the legislation, as a result of which major accounting costs would translate into a small number of conscripts and a major negative reaction from intellectuals.⁶⁴ Nevertheless, the law took effect, and the authorities proceeded with the registration and, in many places, medical examination of employees, conscripting lawyers, cooperative, trade and industrial organization workers, and

⁵⁶ CHDNI VKO, fund R-37, inv. 1, file 111, sheet 8–8 rev.; fund R-48, inv. 1, file 193, sheet 16.

⁵⁷ CHDNI VKO, fund R-37, inv. 1, file 93, sheet 8–8 rev., 15, 19, 23–25, 28–28 rev.

⁵⁸ CHDNI VKO, fund R-48, inv. 1, file 193, sheet 25–27, 33–34; Case 195, sheet 4–5.

⁵⁹ GARF, fund R-176, inv. 3, file 25, sheet 342–342 rev.

⁶⁰ GARF, fund R-176, inv. 5, file 43, sheet 169; inv. 6, file 51, sheet 1 rev., 18 rev.–19.

⁶¹ The Government Gazette, 1919. No. 161; GARF, fund R-176, inv. 5, file 91, sheet 28–29 rev; file 92, sheet 318–322 rev. A proposal to rename cart duty to labor duty was made by the interdepartmental commission (GARF, fund R-176, inv. 6, file 51, sheet 7 rev.).

⁶² GARF, fund R-176, inv. 5, file 245, sheet 96–98 rev.

⁶³ The Government Gazette, 1919, August 28; GARF, fund R-176, inv. 5, file 101, sheet 135–137.

⁶⁴ GARF, fund R-176, inv. 5, file 101, sheet 132–135, inv. 6, file 51, sheet 8.

medical workers (Zvyagin, 2001, p. 85).⁶⁵ The right to mobilize medical workers was used by the Political Center on January 3, 1920, and by *ataman* (chieftain) G. M. Semenov on January 17, 1920.⁶⁶

The mobilization of office workers only greatly restricted the government's capacity. Members of the State Economic Convention proposed that coal miners be given an exemption from mobilizations and that workers already mobilized from the army be returned.⁶⁷ The retreat of the White Army across Siberia to the East forced the military to resort to mobilizing the public to erect defense infrastructure. But neither proper accounting for the labor force nor control over the efficiency of its use had been established by that time (Ivanov, 2017, p. 40). Excessive caution in utilizing domestic workers prevented the problems of strategically important industries from being addressed.

The measures taken by the anti-Bolshevik governments in Eastern Russia during the second half of 1918 and throughout 1919 to regulate the labor market cannot be considered efficient. The reduction in employment and declining average wages were an inevitable consequence of the economic downturn and at the same time a mechanism for the self-preservation of the economy. This economic backdrop called for extraordinary measures. Anti-Bolshevik governments took action intended to gradually reduce social tension during the post-war period. The desire to address problems in the long run was combined with the complete inability to respond to the challenges of the Civil War. In general, the Russian government did not go beyond the old methods of labor resource utilization in Russia during World War I. The government decided to mobilize a thin stratum of qualified specialists.

Paradoxically, it was the fear of being branded as a “bourgeois dictatorship” that kept politicians from taking more decisive steps. What a contrast to those the “Whites” waged war against! In the early days of the February Revolution, referring to German and French experience, Lenin proposed introducing a universal labor duty in Russia (Lenin, 1981, vol. 31, pp. 43–44). As early as January 12, 1918, The Council of the People's Commissars (SNK) proclaimed universal labor duty, and the first Soviet Labor Code was introduced with articles prescribing public mobilization. Soviet trade unions were quickly transformed from workers' rights protection organizations to instruments of labor mobilization (Buryak, 2009, p. 18). The Soviet government never hesitated to discipline its social allies and “fellow-travelers,” and even more decisively those whom it should have feared. Starting in the autumn of 1918, the revolutionary camp began actively moving the labor force between enterprises, concentrating it in the most important areas for the war. In the summer and autumn of 1919, the Bolsheviks moved tens of thousands of people to the East of Russia to harvest crops, support transport operations, and restore factories in the Urals (Borisova, 2006, pp. 51, 55). Also in the autumn of 1919, the authorities regularly announced the mobilization of the “bourgeoisie,” “kulaks” and “intellectuals” to the frontline areas along the Eastern Front to perform logistics jobs to serve the army's needs (Obukhov et al., 2008, pp. 86, 106). To make up for

⁶⁵ The Government Gazette, 1919, August 17, September 2; Russian Army, 1919, August 31; GARF, fund R-176, inv. 5, file 91, sheet 19 rev.–20 rev.; file 99, sheet 164 rev.–165 rev, file 245, sheet 131–132 rev.; Tomsk Oblast State Archive, fund 196, inv. 2, file 20, sheet 1–336.

⁶⁶ Bulletin of the Political Center Information Department (Irkutsk), 1920, January 7; GAZK, fund 329, inv. 1, file 13, sheet 80.

⁶⁷ The Government Gazette, 1919, October 29; GARF, fund R-190, inv. 2, file 39, sheet 85.

the loss of industrial workers, the defense facilities of the Urals promptly returned $\frac{3}{4}$ of the personnel from Siberia who had been evacuated by the “Whites” (7,500 specialists); redirected 9,300 specialists from other regions; and mobilized 20,400 workers who had left the factories (Rafikov, 1989, pp. 29–32).

Throughout 1920, labor mobilization became the most important tool for supplying manpower to industrial and transportation enterprises in Siberia, almost completely replacing free hiring: 16 categories of the population were subjected to it. The mobilizations continued in 1921 (Sibrevkom, 1921 pp. 7, 8, 17–19, 22–23, 27–28, 69; 1959, pp. 89, 91, 109, 115–116, 125). The mobilized labor was utilized for repair and restoration work, loading, moving, logging and wheat threshing. Railroad workers, coal miners and defense industry workers all remained at their workplaces and were declared mobilized. This prevented those workers who were dissatisfied with their working conditions from leaving their jobs, as that action would be deemed malicious desertion. Mobilization affected not only laborers and workers, but also intellectual workers—they were recruited to work in the food industry, land authorities, medical institutions, and to fill vacancies in the lower ranks of Soviet institutions. Educated people were also sent to work to eliminate illiteracy.

The work by the mobilized labor was organized by the Siberian Committee for Universal Labor Duty and labor allocation departments. In 1920, the total demand for labor at Siberian enterprises was 344,000 laborers (including 264,000 for logging activities) and 80,000 skilled workers. An inspection revealed that the enterprise demands were exaggerated—in reality, they could employ less than 60% of the personnel requested. However, mobilization resulted in recruiting just 4,200 workers.⁶⁸ The logical culmination of this policy and the final accord of the Red Army’s participation in the Siberian Civil War, was the formation of the Siberian Labor Army, consisting of 62,000 people between January 1921 and February 1922. It was based on the military personnel who were sent to work instead of demobilizing, and the mobilized civilian population subjected to military discipline (Tsys, 2009, part 1, pp. 117–118, 244; part 2, p. 183). Another important Soviet technique was the placement of labor deserters (i.e. those who refused to work as allocated) in forced labor camps. The harsh measures failed to eliminate urban unemployment, or to facilitate labor productivity increases. Instead, they provided the minimum necessary workforce to operate strategically important enterprises: railways and coal mines.

It is impossible not to comment on the radical differences between the development of the labor market in Russia, which was plunged into the Civil War, and in the European states, which were engaged in World War I. The demand for labor in Europe remained high during the war, and real wages declined ever so slightly. The increase in unemployment came during the post-war years, 1921–1923, and was largest in Germany (28% of all union members). At this moment, real wages for the employed decreased in Great Britain to 70–90% of pre-war levels, and to 71.8% in Germany by 1920 (Marcuson, 1926, pp. 39–58, 75–84). In Russia, average real wages remained at 20% of pre-war levels even in 1918; they dropped to 5.9% in 1919, dropped to 2.1% in 1920, and only rose to 49% of pre-war levels in 1923 (Strumilin, 1964, p. 375; Rashin, 1923, p. 649). In this respect, Russia was

⁶⁸ The Life of Red Siberia, 1921, No. 3–4, pp. 14–16.

fundamentally different from European countries. The collapse in the labor market occurred earlier here. Moreover, demand was at its lowest point in Soviet Russia for unskilled labor and intellectual professions. Similar processes took place in Eastern Russia, albeit with some delay. Here, regulatory institutions in the labor market remained in operation even longer, instead of quasi-market labor mobilization and allocation bodies. The country's institutional elements were similar in form to their European counterparts (labor exchanges, trade unions, entrepreneurial organizations, unemployment funds, reconciliation chambers), but these operated in fundamentally different economic conditions and did not become effective levers of influence on labor relations. They were enveloped in informal practices that made it just as easy to comply with or to circumvent all legal restrictions.

8. Conclusion

The authorities that rose to power during the Russian Revolution and the Civil War remained heirs to the pre-revolutionary experience and pre-revolutionary traditions for several years, developing and fine-tuning the former labor market institutions. Trade unions turned into a key institution in the economic crisis, especially during the first months of Soviet rule, and became a powerful factor in keeping wages above the equilibrium price and keeping workers in their jobs. This played a stabilizing social role by artificially restraining employment reductions, but contributed to the mounting economic crisis.

Anti-Bolshevik governments took a more flexible approach, seeking to redistribute labor market management costs and responsibilities among labor market participants, and developing complex rules that made it easier to find work and harder to fire workers. Institutional employment incentives and barriers against layoffs constrained price declines on the demand side of labor, but could not stop it. Under all political regimes, there were opportunities to circumvent institutional barriers by politically motivating layoffs. In addition, much of the labor market movement occurred illegally, bypassing institutional barriers. This was due to supply far exceeding the demand. Institutional "pressure" on employment was not economically justified. Employers predominantly had demand for cheap labor and could only support the production process by reducing labor upkeep.

The peculiarity of the labor market in Eastern Russia was its regional and local isolation. In reality, there were many markets. They were mostly confined to a given city, where labor exchanges, business and trade union associations, and wage agreements were operating. The only thing they had in common with each other was a set of relatively uniform rules, rather than the mutual influence of labor rates. Inter-city and inter-regional differences never became important factors in labor mobility. Other factors were at work, mainly related to forced and coerced population movements: refugees and prisoners of war increased pressure on the supply side of labor markets.

As a result, forced mobilization became the most effective mechanism for regulating employment. Notably, socialists in the anti-Bolshevik camp persistently proposed restructuring labor market institutions to support the organized movement of labor between cities and regions. The mobilization measures being decisively implemented by Soviet authorities around the end of 1919 and into 1920, Admiral A. V. Kolchak's military dictatorship used coercive measures

“shyly” and inefficiently. This commitment to liberal economic regulatory measures prevented the concentration of resources in key areas for defense.

After the fall of the Kolchak regime, the Soviet authorities resolutely tore down the existing labor market institutions and created new ones aimed at forced employment. Labor supply and demand registration was replaced with accounting and distribution. This system cannot be deemed to have been effective for the economy as a whole. However, it did lower the transaction costs associated with changing jobs and allowed the state to focus labor resources on eliminating bottlenecks within the national economy by putting some of the surplus labor force at its full disposal.

Acknowledgements

The research was funded by RFBR, project No. 18–09–00580.

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