

## Setting the price of labour: social determinants of agricultural labour wages in post-socialist areas

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**Abstract:** The purpose of this paper is to analyse different social determinants of the price of agricultural wage labour in a context of transformation of production system in post-socialist areas. In this way, it explores a dimension of social inequalities never specifically analysed in the literature about rural areas of the former USSR. Nevertheless, several hypotheses arise from the literature review: Despite the privatisation of land to former workers of the socialist farms, the price of labour in agriculture contributes to social differentiation in post socialist countryside; Administrative and legal regulation of labour relations have lost their strength to guarantee wage levels because of the dependence of the local government and the new owners of the land on LFEs and local employers after agrarian reforms; A worker's ability to bargain over the price of labour varies according to other transfers and relationships he or she has with the employer and the economic situation of his or her household. To overcome the traditional opposition between structural determinants and individual agency that shape the scientific discussion about price formation, this research is based on an economic ethnography. The different dimensions that frame economics (cultural institutions, state regulations, situation of transactions...) are not separated theoretically, but they are rather analysed as intertwined in social spheres of workers' existences. Here, wage labour and work relations are analysed together with other social scenes, as household production, local power relations and local markets. To do so, the paper rests on interviews and observations led in a village and in an administrative centre in Ukraine. The local data are compared with the situation at the national level through the data base of the Ukrainian Longitudinal Monitoring Survey.

**Keywords:** wage, inequalities, gender, agriculture, informal labour

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### Introduction

The purpose of this paper is to analyse the social determinants of the price of agricultural wage labour in a context of transformation of the production system in post-socialist areas. In the USSR, the agricultural production system was essentially based on wage labour in socialist farms (Wädekin, 1971). Since the end of the USSR in 1991, agrarian reforms have led to the reproduction of large-scale agriculture (Maurel, 2012): in Eastern Europe the agricultural production system is still based on a high concentration of productive capital, including land, which is now privately owned. This concentration of capital has been increased with the phenomena of land grabbing up to today (Visser, Mamonova and Spoor, 2012).

In Postsocialist areas, wage labour remains one of the main forms of work in agriculture – excluding small household agricultural production –, even if the demand has been reduced due to mechanisation, privatisation and an increased specialisation of Large Farm Enterprises (LFEs). In Ukraine, wages are an important source of income especially for households that have not developed a substantial commercial agricultural production (Lerman *et al.*, 2007; Mamonova, 2015). However, the economic crisis of the 1990s and agrarian reforms have completely transformed the organisation of agricultural wage labour. In the USSR, wages were determined by centralised rules and classifications based on professional qualifications. They were associated with social rights (housing, services...). Since 1991, there has been a diversification of employment statuses. While some workers are under contract, many workers are not declared or only partially. In this context, how are wages calculated in post-socialist countryside today? What factors influence the price of labour?

Where and how are they bargained? How is an acceptable price for labour defined for employers and for workers?

## **Literature review and Hypotheses**

Following the sociological approaches of price formation, I will consider wages in post-socialist rural areas as the “result from the embeddedness of market transactions in institutions, social networks and culturally anchored frames of meaning” (Beckert, 2011). Different sociological approaches explain the formation of prices. Institutional approaches have insisted on long distance processes of regulation on labour market. In that perspective, several forms of institutional regulations which influence wage setting have been identified: structural power relations in specific economic fields (Bourdieu, 2014 ; Fligstein, 1996), but also the education system and the profession systems (Abbott, 1988). In that way actors are mostly considered as price takers according to their place in markets. Other approaches, based on micro-level analyses, emphasize the processes of wage bargaining and labour “valorisation” (Vatin, 2013). Here, researchers insist on the uses that actors make of standards, instruments and conventions, not only to evaluate but also to give value to their work in the eye of the buyer of their workforce. In this perspective, actors are seen as price-makers, even if their rationality is limited.

As an attempt to consider together the actors’ agency and the role of institutions and thus enrich neoclassical analysis in economics, New Institutional Economics (NIE) distinguishes several levels of institutions that frame economic practices: the culturally embedded institutions (informal rules, cultural beliefs, local norms), the legal environment (laws, property rights), the process of transaction and the allocation of resources (Williamson, 2000). This trend has had a lot of resonance in analyses of post-socialist transformations. Indeed, institutional reconstruction after the end of the socialist centralised states seems to be a very favourable field of analysis in such a perspective. The interest of this approach is that “it recognizes the multi-dimensional quality of local institutions” (Gambold, 2010). However, NEI continues to abstractly separate the different dimensions of economic institutions from each other. As Gambold Miller puts it, it “leaves individual voices out of an analysis that arguably wrests the individual from the background of economics” (2010). In reaction, analysing the advent of “market economy”, post-socialist anthropologists and sociologists have shown the embeddedness of individual identities (Burawoy and Verdery, 1999; Dunn, 2004). Here, the risk is to reify ‘the market’ and to let transactions, calculation and valuation processes out of the analysis (Stan, 2008). In order to overcome these shortcomings, this study of wage setting here is based on “economic ethnography” (Weber and Dufy, 2007). The different dimensions that frame economics are not separated abstractly, but they are rather intertwined in social spheres of workers’ existences. Here, wage relations are not considered isolated from other social scenes, as household production, local networks and other economic exchanges. In this way, it is consistent with the analysis of peasant economy inspired by Alexander Chayanov (1966). In that perspective, the legal and judicial framework is not an exogenous factor on transactions, but the result of power relations between companies and local governments and administrations. Similarly, culture is not seen as a set of norms and rules, that could be described for themselves. It is at stake in the unequal capabilities among workers, such as their ability to bargain or their interpretations of situations. It is part of the social differentiation and, in that way, it determines economic inequalities.

This approach is coherent with the results of existing analyses of labour relations in post-socialist studies. Post-soviet studies highlight the crisis of the system of production and of the wage society. They show the development of “informal economic practices” (Morris and Polese, 2015) and the

“weakening” of the institutions that regulated labour relations: Trade unions, Administrations... (Crowley, 2004). This crisis in labour market institutions seems to affect low-skilled workers in particular (Simončuk, 2005). Thus, researches focus mostly on *survival strategies* (Burawoy, Krotov and Lytkina, 2000; Humphrey, 2002). By stressing under-declared practices and localized arrangements in response to the crisis, they ignore the importance of legal wages or pensions in households' incomes (Clarke, 2002). Moreover, ethnographic accounts of economic practices in postsocialist regions show that formal and informal practices are intertwined and cannot be analysed separately (Morris and Polese, 2015).

The authors, who analyse the transformation of post-socialist rural areas, focus on the privatisation of agricultural land and infrastructure (Allina-Pisano, 2007; Hann, 2003). They show the decline in employment in agricultural enterprises. They highlight the drop in agricultural wages compared to other sectors (Wegren and O'Brien, 2003). Reforms have led to a capital-labour separation and a distribution of added-value favourable to the capital holders, to the detriment of workers, especially in LFEs (Cochet, 2017). With the end of the USSR, wages for agriculture have no longer been guaranteed by state subsidies. This leads to a diversity of local situations depending on the type of production, the structure of the former soviet farm and the local implementation of land reforms (Allina-Pisano, 2007; Pine and Bridger, 1998).

Some researches then analyse the social stratification of post-Soviet rural areas as a peasant society. They reveal the diversification of productive practices on household plots (Pallot and Nefedova, 2007; Wegren, O'Brien and Patsiorkovski, 2006). They insist on productive investments and access to land inequalities between households (Wegren, 2008). Thus, their recommendations for the development of post-socialist countryside focus on facilitating access to land and to market, and securing selling prices for agricultural production. This analytical perspective focusing on independent agricultural activities can only account for the activity and resources of a minority of peasant farmers. And the privatisation of agricultural enterprises has led to the exclusion of most workers from the use of the agricultural land. In Ukraine, former workers of kolkhozes and sovkhozes have become the owners of the land. But if they got access to the land, they did not have a sufficient access to means of production and productive capital. Then, they have mostly rented it out to the new private agricultural enterprises in a relation that can be called "reverse tenancy" (Cochet, 2017). Moreover, they are often dependant on the payment of the rent for the supply of their private plot production (Allina-Pisano, 2009). Reforms have thus led to an increased dependence of households on LFEs.

Wage labour is therefore not specifically analysed in post-socialist studies, and in particular in researches about the transformations of the agricultural sector. However, these analyses suggest that wage determination in agriculture should be considered in a multiscalar way to grasp the different factors that come into play. At the national level, centralized wage structures and administrative and legal employment regulations alone do not explain the amount of wages any longer. In addition, land reforms have contributed to strengthening local dependencies between workers and employers. In this context, wages cannot be analysed independently of other transfers between LFEs and rural inhabitants: rent, services, subsidies to the local government.

Several hypotheses arise from this literature review: The price of labour in agriculture, which has been under-explored in the literature, still contributes to social differentiation in postsocialist countryside; Administrative and legal regulation of labour relations have lost their strength to guarantee wage levels because of the dependence of the local government and the small owners of the land on LFEs after agrarian reforms; A worker's ability to bargain over the price of labour varies according to other transfers and relationships he or she has with the employer and the economic situation of his or her household.

## Method

This proposal is based on a case study carried out in the village of Fruktivka (2500 inhabitants, Vinnitsa region, 2 hours from Vinnitsa) in central Ukraine between 2014 and 2018: participant observations in teams of workers and interviews with some of them (N=60), interviews with employers and local government officials (N=10) and analyses of archives of local state administrations and agencies. As in the extended case method (Burawoy, 1998), the sample is not intended to be representative. Interviewees were met by extension of the observation over time and space, following a snowball effect method. We have systematically explored the different spheres of workers' lives: agricultural fields, local markets, households' production or encounters in local administration offices. The ethnographic approach makes it possible to directly observe hiring and bargaining practices that are not registered. It helps to describe forms of informal labour, which are not recorded by statistics and administrations. It also makes it possible to understand a situation of bargaining by comparing it to others in the same local labour market and to understand the history of economic relations between workers and employers. In order to get a better view of the general situation and control the peculiarities of the case, we led some more interviews with state officials and experts of agriculture in Ukraine. We also compared the local situation through the extensive use of the data base of the *Ukrainian Longitudinal Monitoring Survey*.

Ukraine was usually referred to as the "bread basket" of the USSR. It is still considered as an important world producer of cereals and oilseeds. But the economic crisis during the 1990s strongly impacted the agricultural sector. In agricultural enterprises, the volume of production fell by nearly half between 1990 and 2001 (SSSU 2019). In Ukraine, agricultural reforms took place later than in most countries of the former USSR. It went through two phases: the privatization of the infrastructure of former kolkhozes and sovkhoses in the 1990s; and the privatization of land from the 2000s (Lerman *et al.*, 2007). These reforms led to a reproduction of the agricultural productive structure, which is marked by the dualisation of the productive system (Keyzer A. *et al.*, 2012). On the one hand, LFEs farming several thousand hectares have remained in place instead of the former soviet farms. They are now tenants of the agricultural land, which belongs to the former workers of the socialist farms. Thus, almost 60% of the agricultural area is farmed by enterprises of more than 2000 ha (SSSU 2019, 6.2). On the other hand, small farms, known administratively as "Personal Peasant Farms" (*Osobiste selânske gospodarstvo*, infra OSG), have been developed from household plots. These are the same small plots left to workers on the margins of the socialized economy before 1991. Those OSG play an increasing role in agricultural production since the "dark years" of the 1990s, at the heart of the crisis. Their production volume represents up to 60% of the total value of agricultural production in Ukraine in 2000 (SSSU, 2015). OSGs are not enterprises in the legal sense. But they can be a source of income through the sale of products without tax declaration. The *paï*, those plots of land acquired by former workers of the state and collective farms through land reforms, can be added to them. The average surface area directly exploited by households was 1.2 ha at the start of the survey in 2014, of which 47.5% on average corresponds to the *paï*. But this indicator should not be misleading. The situations vary widely according to the investment of households in commercial agricultural production (SSSU 2014). In between LFEs and OSG, a few small and medium sized farms have emerged under the status of "Peasant Farms" (*Fermerske gospodarstvo*). They are just over 30,000 of them in 2019, the majority of which are less than 50 ha (SSSU, 2019). They resulted from the conversion of some households into a commercial agriculture.

Regional situations are different according to the implementation of reforms and the nature of production. Vinnitsa region is in the national average concerning the distribution of land and the structure of the system of production (Lerman *et al.*, 2007). It is the first wheat-producing region in the country. In particular, it remains the predominant region in fruit production, a legacy of a productive specialisation from the Soviet era (SSSU, 2019). In the village of *Fruktivka* and the county (*rajon*), where the research took place (Ukraine has 490 *rajonis* gathered in 27 administrative regions, *oblasti*), the structure of agricultural production mirrors the structure of the national level, apart from the peculiarities due to fruit production. In *Fruktivka*, one agricultural enterprise, which we would call “Sad” controls the infrastructure of the former sovkhov. It grows the largest part of the arable land of the village. There are 6 declared peasant farms, specialised particularly in the production of apples and pears, and almost 250 households registered as OSG. During the land reform, former workers of the sovkhov received the ownership of 2.5 ha of arable land and 0.75 ha of orchards. The majority of households rents arable land to the “Sad” company. The orchard share is regularly farmed directly by OSG or peasant farms.

## Results

In this section we will successively consider the hypotheses.

### **The price of labour in agriculture still contributes to social differentiation in postsocialist countryside**

In Ukrainian public statistical data, it is difficult to isolate agricultural wage employment. According to the Ukrainian state statistics, the agricultural sector employs 13.7% of the 16 million Ukrainian workers “in employment” (declaring work in the week preceding the survey, according to the definition of the International Labour Office). This part amounts to 37% in rural areas. It stands for the most important sector of employment in rural areas. But this figure includes work in household plots, which is classified as “informal economy”. This kind of employment is not necessarily wage labour. This explains why the sector accounts for 78% of informal employment for women and 54% for men (SSSU 2020, 2.15): Women are in charge of household production and its commercialisation. Declared employees represents only 35% of the workforce in the sector. With the privatization of the production system during the years 1990-2000, there was a decline in agricultural employment. In Ukrainian public data, 44% less employees were registered in the sector between 1990 and 2000 (Simončuk, 2005). There is therefore a differentiation of employment status according to its registration.

The nominal average salary in Agriculture in 2015 is 3140 UAH in official data (SSSU, 2019). This indicator does not account for wage inequalities according to the kind of employment. Wages also depend on the type of employers and thus of farms. The dualisation of the system of production led to a productive division of labour. LFEs are mostly oriented toward capital intensive crop production, and OSG and peasant farms toward labour intensive productions (husbandry, vegetables, fruit). So in each kind of farms, the employment and the nature of labour are different, contributing to the difference of wages. On the one hand, LFEs look for few skilled workers for mechanised crop-productions. On the other hand, peasant farmers or OSG look for seasonal workers for fruit or vegetable production. In small farms and OSG, there are more workers by hectares, less skilled, employed for a shorter time, and less paid (Lerman *et al.*, 2007).

Labour wages continue to play an important part in households’ resources in rural areas in Ukraine. According to the survey led by Zvi Lerman and his colleagues, wages represent more than 40% of the



income of household that did not develop a peasant farm after agrarian reforms (2007, fig. 15.1). Data from the *Ukrainian Longitudinal Monitoring Survey 2012* about household budgets confirm this point. As shown in Table 1 (personal analysis of the survey data), more than 60% of households declare wages as a source of income, regardless of the overall household income level. This part is far higher for richer classes. Wages represent 70% of total income of the household on average. The weight of wages in the global income is not only more important in poorer households (Cl.1). But the proportion also rises for better-off households (Cl.4 and 5). In comparison, far fewer households declare income from the sale of agricultural products (less than 10%) and this represents only one third of income on average.

Households declaring in the survey... (non-exclusive answers)	Income Classes – rural areas						Total
	0, 1600 UAH Cl. 1	1600, 3100 UAH Cl. 2	3100, 4700 UAH Cl. 3	4700, 6200 UAH Cl. 4	+ de 6200 UAH Cl. 5	Total	
<b>Wages</b>	<b>72</b> 27.27	<b>213</b> 53.52	<b>192</b> 86.10	<b>100</b> 94.34	<b>79</b> 98.75	<b>656</b> 61.25	<b>2093</b> 68.31
Average Wage/total income	0,788	0,684	0,645	0,716	0,767	0,699	0,743
<b>Pensions</b>	<b>168</b> 63.64	<b>277</b> 69.60	<b>154</b> 69.06	<b>68</b> 64.15	<b>48</b> 60.00	<b>715</b> 66.76	<b>1903</b> 62.11
Average Pension/total income	0,966	0,751	0,483	0,353	0,248	0,672	0,637
<b>Sales of agricultural products</b>	<b>23</b> 8.71	<b>38</b> 9.55	<b>13</b> 5.83	<b>13</b> 12.26	<b>5</b> 6.25	<b>92</b> 8.59	<b>117</b> 3.82
Average Sales/total income	0,485	0,377	0,329	0,200	0,225	0,364	0,347
<b>Subsidies (unemployment, alimony)</b>	<b>36</b> 13.64	<b>70</b> 17.59	<b>63</b> 28.25	<b>34</b> 32.08	<b>26</b> 32.50	<b>229</b> 21.38	<b>630</b> 20.56
Average Subsidies/total income	0,537	0,314	0,230	0,186	0,153	0,288	0,239
<b>Other transferts (exchanges, gifts...)</b>	<b>17</b> 6.44	<b>27</b> 6.78	<b>18</b> 8.07	<b>9</b> 8.49	<b>5</b> 6.25	<b>76</b> 7.10	<b>311</b> 10.15
Average Transferts/total income	0,462	0,206	0,256	0,130	0,173	0,264	0,240
<b>Total</b>	<b>264</b> 100	<b>398</b> 100	<b>223</b> 100	<b>106</b> 100	<b>80</b> 100	<b>1071</b> 100	<b>3064</b> 100

**Table 1. Variations in resources by income classes and sources of income in rural households (ULMS 2012).** (Missing values : 65). Database : Households, ULMS 2012. Comments: Income classes are based on the median in the database: 3100 UAH (hryvnia, Ukrainian currency, around 290 euros in 2012). The average part of each source of income in the total income of the household is calculated only in the population that declares this kind of income in the survey.

### Administrative and legal regulation of labour relations have lost their strength to guarantee wage levels because of the dependence of the local government on LFEs

Scientific literature about Soviet countryside shows the power of directors over local governments (Humphrey, 1998). The local organisations of the communist party and trade unions exerted a control over the implementation of the law concerning labour. But labour shortages have favoured local arrangements and the power of the directors over the daily management of the work force and the payments of labour. Wage calculation depended on a wage scale determined by the plan. But wages were not the only reward for workers. As an incentive for the productivity of labour, wages were calculated according to a production standard (*norma*, a minimum production to be provided over a given time) and the surplus was paid through bonuses. In addition, benefits in kind (on prices of

agricultural products or inputs for the household plot, on the use of machinery etc.) were gradually institutionalised (Wädekin, 1969).

Here we show that LFEs have strengthened their power over local governments since 1991. LFEs are still the main financial contributors to local budgets and the main employers in the countryside. This role prevents any critic from local authorities. The local newspaper emphasises the benefits they offered to residents, many of whom are small landowners. On the other hand, "micro-farmers" are heavily criticised by local officials because of undeclared labour and untaxed activities (Archives (A.) of the local Newspaper).

This power of employers also impacts their relations with local administrations in charge of the regulation of work. As the fieldwork reveals, it has an effect on the low level of wages in agriculture. The local services of the State Labour Administration (*deržavna služba praci*, infra DSP) form commissions together with the Employment Center - an agency in charge of unemployment benefits -, the National Pensions Funds and the tax services. Those commissions aim at preventing the under-declaration of employment and wages. In order to do so, they use the limited available data as indicators to detect offenders and plan company audits. They notably look at the average wage declared in the company: if it is lower than the average wage in the sector, this company might be obliged to explain the situation to the commission (Archives of the Commissions).

The work of these commissions is therefore limited. They concentrate their activity on the declared enterprises and leave aside all peasant farms, where there are no declared workers. The power of the commissions is also limited to the information at their disposal. Moreover, the conclusions of their audits are finally bound to the decision of the local prosecutor after submission of their report. So they feel that they have no real power against those employers and their practices (Interview (I.), 11/19/2015). Furthermore, in 2014, the government has promulgated a moratorium on controls in companies. The control activities by the DSP have been criticised by the government itself as mostly abusive and as hindering the development of private businesses. In this context, the directors of local LFEs are in a strong position in front of administration services. One of them replied to a commission about the abnormally low level of wages in his farm as follows: *"The economic-financial state of the farm doesn't make any profit for now, and we have to keep the working population in the village, because each [worker] has a family, children, parents – they have to be looked after. You have to give each one of them even a small job, so that they can earn a little bit of money and feed their families."* (A., 1/29/2015). Another director, chairman of the local section of the government party, insists on future reforms of the pension system, which he has brought forward to justify his debts to the National Pensions Funds (A., 4/28/2015).

Administrative agents aware of their powerlessness in the face of local LFEs. The deputy director of the Employment Centre of the *rajon* of Fruktivka explains: *"(...) of course there are strong farms where the average wage of employees, even non-specialists, is 3600 or 3700 (uah). For our rajon, this is not a bad salary. The minimum wage is 1218 (uah). (...) And there are employers who only pay minimum wages. Less than the minimum wage is forbidden by law. (...) The rest is paid anyway in an envelope (u konverti)."* (I., 6/30/2015). Everybody knows this way to get round the law and controls: official wages are supplemented by undeclared cash payments. These are paid according to production and play the same role as bonuses in the socialist period. For example, the director of a LFE of more than 4000 ha says that he systematically pays only according to the real activity of the workers, *i.e.* the number of tons transported, the number of hectares ploughed, etc. This type of payment is incompatible with a fixed monthly wage and leads to individualisation and under-declaration regarding payment for work (Research Notes (RN.), 23/07/2015).

A worker's ability to bargain over the price of labour varies according to other transfers and relationships he or she has with the employer and the economic situation of his or her household. In Fruktivka, the number of persons who declared employment in the agricultural sector in 2013 is 72, according to the records of the village council (A, 11/12/2014). This number includes entrepreneurs, managers, accountants and also drivers of the two silos located on the territory of the village. According to these data, the inactivity rate in the village would reach 68% of the working-age population. These data do not take into account undeclared work on farms, particularly seasonal work. Ethnographic research has shown how the level of wages acceptable to workers depends not only on their economic resources at the time of the recruitment, but also on the history of their relationship with employers and their place in the division of labour within their household. Based on observations in fruit production, we were able to distinguish between two wage setting schemes, which give more or less room for bargaining.

#### *The standard scheme for low-skilled tasks*

The first wage setting scheme concerns seasonal, regular and collectively conducted work: picking fruit, pruning trees or packing. About strawberries and raspberries, there is daily hiring. Picking is done in late spring and summer, every two or three days. The day begins in the field between 7 and 8 a.m. and its duration varies according to the quantity of ripe fruit on that day and the size of the team involved. For apples and pears, harvesting is done in the fall, also by team, over a period of several weeks depending on the orchard. Hiring is then done on a weekly basis. Tree pruning is organized in the same way in January/February. Packing is more casual: the hiring is on a daily basis between November and January, when the harvest is sold. The hiring system is always the same. Farmers are in contact with a team leader (*brigadir*) who hires workers. For these tasks, the work is paid per kilo of fruit picked (berries), per number of trees pruned or per hour or day of work (apples). Anja explains that "everyone knows the price [of the task], we ask around" (RN., 1/16/2015). Thus, in 2015, payment is more or less the same from one farm to another: 2-3 uah/kg of Strawberries, 4-5 uah/kg of Raspberries (which represents 20-30% of the price per kilo sold to local middlemen), 10 uah/hr for picking apples and pears. These prices are considered low by the workers themselves.

Teams	A	B	C	D	E	F
Period	January 2015	January 2015	June 2015 July 2015	June 2015	July 2015	October 2015
Composition	5 men 5 women	4 men	4 women	12 men 15 women	4 women	10 women 2 men
Farms	I 60 ha orchards	II 300 ha crops 60 ha orchards	III and IV 5 ha (III)/ 100 ha (IV)	V 27 ha	VI 1,5 ha	II
Production	Apples Pears	Apples	Raspberries Apples	Raspberries Strawberries	Raspberries Blackberries Apples	Apples
Tasks	Pruning	Pruning	Picking	Picking	Picking	Picking

**Table 2. Workers' teams observed in orchards in 2015.**

Women represent the largest group of workers in these teams. Mostly in charge of household plot production (Libanova 2012, Volosevič *et al.* 2015), women are at the disposal of employers for day labour or short seasonal labour. In those teams, men are only present in winter for pruning, in the off-



peak period of agricultural work in crop production and depending on migration according to employment opportunities in the construction sector. In these jobs, women earn what they called "small money" (*malen'ki hroši*): the money dedicated to daily expenditures. In the accounting of the household, this money is used while waiting for the "big money" from the husband's salary.

Here, farm workers are bound to accept the terms and conditions of employment proposed by the employer to the team leader. The chance of being called back to join the team on another occasion depends on their consent. Moreover, the level of wages cannot be understood without taking into account other transfers. The employer, who is often the employer of their husband, the tenant of the *paj* and/or the supplier of basic needs for their household plot (ploughing, fertilizer, seeds...). This hiring system forces women workers to be available for these tasks in the farm at any time. For example, Anja, 48 years old, has not worked officially since her third pregnancy in 1992. She has gradually returned to seasonal agricultural work since her children left home. She receives calls and accepts hoeing, picking and packing work for her and her daughter-in-law (team C). In 2015, at the end of July, she is regularly called in the evening, for a few hours of selective picking of early apple. This work is not profitable: it represents few hours of work, without any possible acceleration because workers have to choose the apple carefully. But she is forced to accept if she wants to have the opportunity to be hired in the autumn, for the main season of picking. In contrast, some workers show a certain independence from seasonal hiring. This is the case of Nina, 43 years old. Her husband is a tractor driver on the farm (II) where she is hired for the picking season. Nina has also developed a berry and fruit commercial production on half a hectare of household plot. In 2015, she is still working in the apple season in the team F. In 2016, she declines the proposal. Her young trees are coming to maturity: she herself has hired a few neighbours to pick them.

In this wage setting scheme, we find mostly women. They have almost no possibility to bargain over working conditions or payments.

#### *Contract bargaining for occasional work*

The second wage setting scheme concerns more occasional work and mostly tasks requiring the use of machinery. It concerns activities such as field clearing, building sites, loading and transport etc. Among the 37 men met on the village work scenes, 12 of them regularly work in a neighbouring farm for those kinds of tasks. These tasks are carried out either by individuals or by small teams. They may take a few days or several months.

The bargaining over wages and working conditions makes the relationship looking like a commercial agreement. It uses the same codes of bargaining that are applied on building sites in migration, where men used to work: a global price is defined for the amount of work planned. It allows for an autonomy of workers and a free acceleration of work pace to get the final payment quicker. Here work is not constrained by an implicit production standard or the comparison with other teams. In this context, payments are significantly higher than in the first regime, even if they vary greatly from one task to another. Anyway this kind of price setting is more valued by workers, who have the feeling to participate in the price-making.

These conditions of transaction require workers to master specific skills that concern bargaining. Workers should not only know usual prices for a task, but also evaluation the work to do, the time it will take, its arduousness and the risks it implies. These skills are acquired through practice. They are a matter of reputation and competition for men in the village. Selling yourself at too low a price risks affecting the level of wages for all workers. But if a job is refused because it is considered as too poorly paid, the worker may be considered as too proud or lazy, and he might be excluded from this

market. Thus, the question of the price of labour is at the heart of many conversations between men. All of them mention conflicts with colleagues about this subject. This conversation between Jan, 30 years old and his uncle Paša, takes place during dinner in the presence of Jan's wife and mother, Paša's sister, Anja (*op. cit.*):

“Jan would like to know what we're asking for an orchard to be cut down. Paša first answers that he doesn't know. Jan adds that hourly payments are a joke, he doesn't want them. He explains the situation of Dînis, his employer, who wants to replace an old orchard. (...) Paša: 'You can ask for 20 per tree. You can ask for 25, that way you get 100 for 4 trees, but I doubt he'll agree to pay that.' He repeats the movement of cutting branches then trunk with his hands: 'If you are two, you can go fast'.” (RN, 8/6/2015).

This kind of reasoning is frequently met in the transaction observed. The evaluation of work and the calculation are of importance. As Paša explains, using one's own equipment (chainsaw, brush cutter or even a vehicle) means that there is a risk of losing money on a task, because damaged equipment will have to be repaired later. But as a counterpart, using one's own equipment gives the possibility to charge more for the work done. As in this example, the ways of evaluating and bargaining over the price of labour are learned within workers' circles.

What is at stake in this conversation is not only the price setting and the uncle's tips to his nephew. The atmosphere is tense. Jan feels humiliated by hourly payment and odd jobs offered to him by the employer, for whom he regularly works. He knows the rumours about his job and his position of dependence on an employer. He feels like he is being treated like a "slave", as he says. What seems insulting for Jan is not so shameful for his mother and wife who, regularly accept hourly paid works for local farmers. This research notes reveals how the gendered segmentation of relationships with employers is culturally accepted. This segmentation relies on the division of labour within their households. Jan is not bound by multiple transfers with his employer. This gives him room for manoeuvre in bargaining. Even if this bargaining is limited, it makes the transaction acceptable in its own eyes.

## Conclusion

With this case study we have shown some social determinants of the price of labour in the agricultural sector in a post-socialist context. The ethnographic approach makes it possible to understand wage transactions in local power-relations. At the *rajon* level, the relative powerlessness of the administration in charge of the labour market is due to the power of agricultural enterprises over the local governments. The low level of wages depends less on the legal framework, than on its implementation and the local power relations.

By observing the transactions and the methods of wage setting in the village, we have shown the importance of bargaining to set an acceptable price for labour in the eyes of workers. With the crisis of the wage society after socialism, workers have to know how to bargain to avoid downward pressure on wages. In the village, the possibility to bargain depends on the tasks and recruitment modalities. But it also depends on the economic situation of workers, on the prior relations with the local farmers and on their place in the division of labour. This research has shown the strong dependence between the division of labour in OSG and the local agricultural labour market. Through their role in housekeeping and in household agricultural production, women have only access to low-skilled and low-paid seasonal work. Only men are in a position to bargain the price of their labour.

Here, two levels of recommendations can be made regarding policies about the agricultural sector in post-socialist areas:

- At the level of the *rajon*, increasing the means of local administrative services and ensuring their independence from the power relationship between local government and employers would favour the implementation of legal regulation of wage transactions, and notably the level of minimum wages. Further indicators could be set up in order to determine the monitoring of the enterprises, such as the wage differences between men and women.
- At the village level, public policies should not only focus on access to land and the development of private small-scale agriculture. They should also concern wage relations between enterprises and workers. They should notably provide information on prices of labour and encourage collective organisation of workers to empower workers in their bargaining. They should also give a legal existence to production work on household plots. As we saw, household production has a negative influence on wages outside, in particular for women, who are in charge of this production and bound by different kinds of transfers with local employers.

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