

THE SYSTEM OF TRIPARTISM – ONE HUNDRED YEARS OF EFFORTS FOR INCREASE OF FORECASTABILITY AND PREDICTABILITY IN SOCIAL AND LABOUR RELATIONS

The challenges of predictability and manageability are nothing new or unknown to Russian trade unions. We review them in connection with the evolution of the society, its social, political and economic life. The society's development is unstoppable and at the same time varying and uneven. The predictability and manageability level can be associated and with good grounds with the speed and depth of those changes we ran across in our history. I mean Russian revolutions of 1905-1917, industrialization of 1929-1941, consequences of World War II, rapid development of the science-based production when we started outer space exploration, collapse of the economic and political system of the USSR in the early 1990s. It's not accidental that such diversified events turned out to be side by side. Each of them like the others non-mentioned, had a decisive impact not only on the social and political structure and the profile of the whole society but on the economy, the character and content of labour, social standing of workers, economic status of families.

Trade unions are economic organizations and they have always strived to review what was going on as related to the actual stage of economic development. Currently, the global economy, including Russian economy integrated in it, is at the primary stage of the new 6th Kondratyev's cycle that will last for the next 40-50 years. Because of the special features of technological drivers that were strongly developed during the 5th wave (electronics, robotics, laser and telecommunication equipment), there are big shifts taking place in all sectors and especially in industrial production, and they are characterized as nothing short of revolutionary. In the world of work this leads to the noticeable change of the labour processes' content and not only that but, for example, in management as a whole – to increase of the speed of decision-taking and their fulfillment up to the borders on the verge

of human capabilities. On the other hand, we witness graduate distancing of the knowledge in the basis of the new industrial revolution from our real environment and its going to the sphere of abstractions, the meaning of which is not always clear even to experts (nano- and quantum technologies, microelectronics, genetic modifications, etc.), we notice the unbelievable increase of the volume of generated information, processing of which stops being possible at the common human perception level, we see the growing accessibility of information, its excessiveness, we watch the boost of unseen before communicative opportunities in parallel. All that generates, on the one hand, a mass of opportunities and prospects, and on the other hand, fear and the feeling of insecurity, impossibility of direct physical control mastered during the lives of previous generations, increases the level of uncertainty. You must agree that any revolution in the consciousness of the majority of people – social and political, economic or industrial - looks like radical and serious changes in all fields of life, only sometimes leading to a new stage of development but nearly always generating chaos for a long time. Currently, they are also leading to incredible, continuously growing inequality not only in distribution of the products of labour and various created riches but also in real rights and opportunities, access to high-quality health services and education, etc. And all that takes place, notwithstanding the showcases of “centuries-long democracies” and “sustainable, balanced” political systems.

The humanity is experienced in reducing uncertainties by creating special political mechanisms. Here I'd like to mention the International Labour Organization (ILO) set up in 1919, the 100th anniversary of which is celebrated this year. Pay attention to the historical period when this three-sided mechanism, still being unprecedented, originated for coordinating interests of governments, employers and employees. That was the time when the world powers had been through the unbelievable in its cruelty World War I that had killed off the most productive part of the employable male population. Women and children, with no labour rights and

often no civil rights, became the main workforce in Europe. The burden of the destroyed economy's restoration fell on their shoulders. That was the time when the Revolution ended in Russia and the Civil War raged. In those years, the predictability level, at least for the working population not only in Europe but also all over the world, was at the minimum. The next world economic crisis broke out just ten years later – the Depression. It was hardly surprising that because of the growing dissatisfaction with the universal inequality and poor working conditions Europe turned out to be on the verge of revolution. Workers demanded measures for providing more just working conditions with the help of international labour legislation and exercise of trade union rights to be stipulated for in the post-war peaceful settlement processes. It was absolutely clear that the universal and long-lasting peace was impossible without social justice. “The founders of the International Labour Organization were convinced that there were inalienable ties between establishment of universal peace and social justice in all countries, and this connection was so important that it was necessary to create a special organization engaged in labour issues to promote and protect peace all over the globe”¹.

The mechanisms in the basis of this organization are focused on coordination of interests of the main participants of labour relations. The foundation for the successful operation of these mechanisms is common understanding that “labour is not goods or inanimate objects, not the object of bargaining with the purpose to get the maximum profits at the minimum price. Decent jobs in our understanding are related to self-esteem, prosperity and individual's development. The way to decent work goes via observance of international labour standards. Proper economic development means creation of such jobs and working conditions that provide workers with freedom, equality, security and dignity”². The ILO creators foresaw

¹ <https://www.ilo.org/100/ru/story/tripartism>

² Ibid.

that not only the possibility of three-sided discussion of issues was extremely important but also the procedures for taking decisions (standards, recommendations) and the following control, undertaken obligations. The time showed that the interest coordination model in labour relations, the sides of which quarreled furiously in the past, allowed not only to solve tasks in the world of work, but also to boost and invigorate other related fields such as social security, gender-related issues, eradication of various kinds of discrimination, etc.

In practice, the ILO setting up, establishment and strengthening led to the Universal Declaration of Human Rights accepted later, in 1948, being to a large extent built on the provisions and ideas worked out as a part of trilateral consultations in the world of work. Mechanisms for implementation of international labour standards in national legislation of the member states became an indisputable progress. Comparing the tripartism model realized in the ILO format, with other mechanisms for coordination of interests and easing tensions, one can note one those are working that reject fake representation, do not allow to “sweep under the carpet” acute contradictions and leave the hands of the “high contracting parties” free in case they do not come to a common agreement.

The most important high-quality aspect of the model realized by the labour relations parties is its response to the changes taking place. Origination of multinational corporations as a consequence of economic globalization, brought about evident if not cardinal changes in the economy of labour and social guarantees for the employed. The Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy adopted by the Governing Body of the ILO, refers to the policy of labour and social security at enterprises all over the world and still has no analogues in the global legal practice. The ILO efforts can be described similarly in case of developing such forms and kinds of enterprises and labour there that have a positive impact on the environment, create socially-focused business, help sustainable development.

The one hundred years of ILO experience allows to be convinced that global mechanisms for coordinating interests of the parties, often and till the present time having opposing positions, can not only be created and fruitfully launched but also evolve in accordance with the interests of the key participants staying effectively enough independent of economic ups and downs, wars and revolutions. There is no need to repeat that all the ILO activities and behaviour of its participants are aimed at reduction of uncertainty, consequently they increase predictability and manageability in social and labour relations. This is the case when points of convergence were found in the process of the long trilateral dialogue as well as forms of coordinated activities for expanding the spaces of possible agreements in labour relations. Stating that, it's required to comprehend the environment in which these mechanisms operate. All three sides in the labour relations are in contact all the time, from the national economies level down to each working place. If the labour relations process exists, the information exchange is possible, objective governing laws for distribution of the surplus value are switched on, the issues of profit increase arise within the framework set forth by the existing economic model. Employers and employees process the information about their socioeconomic position in this process and continuously draw up conclusions about its acceptability. Powerful social mechanisms are launched without any special management or control, they are natural for this type of relations. The information exchange provides food for working out actions aimed at changing or preserving one's position and that leads to the need to conduct a social dialogue. It's very important that the border between the aspiration to change the state of affairs or preserve it, is the border of conflict capable to mature for years and catch fire in a short period, sometimes coming up to destructive scales. Maintaining one's own interest-protection tools in working order is the most important condition for normal existence of the social and labour relations participants. Exactly the comprehension by all the three sides of possibilities for protection of their interests, the limits of acceptable space for mutual concessions and an

opportunity to regulate contradictions from the environment for labour interaction. The quality of tools, borders of interests and efficiency of regulating mechanisms determine the amounts of extracted by the parties profits and the degree of the process' stability. These universal special features of the labour process allowed to bring the common standards and recommendations up to the international level, assisting economic balance and social development.

It should be noted that there are also other international organizations on the global scale, the purpose of which is reduction of uncertainty and increase of predictability. Not going far away from the economic topic, let's pay attention to some of them, such as the World Bank, the International Monetary Fund (specialized UN organizations) and the World Trade Organization. The purposes and tasks of these organizations are geographically global, to a certain extent their activities are similar to the ILO activities but only in the spheres of their responsibility. It's not difficult to notice that the World Bank's and the IMF activities (set up in the end of World War II to solve development tasks) focused on the financial sphere and already at the original stage did not suppose looking for some consensuses among various parties of the relations. The mechanisms formed within the framework of these organizations had the form of crediting and distribution, the content of which gradually drifted more likely to the political and not the economic sphere. Coordination of interests is not the principle of these organizations' work now either. Their activities are focused on phrasing and stating the terms and conditions for providing financial assistance and control over rules observance. The principle of the World Bank operation is to a large extent subjected to the development tasks formulated by the United Nations, though their solution is provided for exclusively by monetary methods. The voice distribution principle when decisions are taken as to providing financial assistance by the IMF, is similar to that in a joint-stock company, i.e. directly related to the share of invested capital. And as it's well-known, the owners of the biggest investments

always determine terms, conditions and rules as well as the expediency of actions in relation to this or that country. As to the WTO, it's not out of place to mention that it was set up in the middle of the 1990s and as in case of the World Bank and IMF, the activities of this international organization are focused on working out the rules for relations between countries in the special field – international trade as well as maintaining mechanisms of control and settlement of disputes arising in the course of this process. With this background, it's possible to state with good reason that the ILO experience is unique and it's an exceptionally valuable store, the expediency and fullness of which was checked up by the century-old history of its use.

It's not accidental that not only elements of social partnership that existed in the past, in the period of Tsars but also the experience of labour relations accumulated in the years of Soviet power as well as tripartism forms and mechanisms worked out within the ILO framework, were applied in our country after the cardinal changes of the 1990s and clear change of the social and political system, in the course of creation of the system of social and labour relations' regulation. Such an approach allowed to considerably reduce the period of searches, tests and mistakes and already two years after the USSR disintegration sign the first trilateral agreements that launched the formation of the modern Russian social partnership system. The essence and content of the acting collective agreements and contracts, the mechanisms of their preparation, conclusion and bringing into life as well as the processes of interaction between the parties of social and labour relations during the period they are in force, strategically correspond to the interests of workers and their organizations. What is meant under “strategically”? Some detours are required to assist in presentation of this thesis.

The workers in our country, like in any economic system, objectively have their basic interests. There is no need now to list their content now, one can find them in respective educational courses and literature. In this case, it's important to single

out several temporal horizons within the framework of which these interests can be concretized. Tactical is a short-term level, the borders of interests there are objectively formed from the present-day vital needs, specified in the process of information exchange and determined by the employee's social status, his family structure, professional training, health condition, age, etc. Chronologically this level can now be determined as week-month-quarter-year. It seems that the tactical horizon should not be made longer than a year, coinciding for our country with the full cycle of seasons. The medium-term horizon of interests and planning can be formulated, taking into account changes in the life of any person set forth by its normal course: periods related to the change of the family structure, getting education, change of the state of health as well as a whole set of changes of the surrounding material world cycles: from the time of real estate construction, durable, long-term use objects becoming obsolete and to clothes' wear and tear. This horizon can approximately be determined from one year to five years. Everything beyond the five-year horizon can be referred to the issues of strategic interests and planning, surely within the limits of one human life. As it can be seen from the established practice of life and financial planning, these temporal horizons are to a certain extent universal, and that character is revealed in various fields, including in the system of labour relations regulation. In particular, the most wide-spread time-limits for collective agreements and contracts are one year, for framework agreements, including the general, they amount to three years. Perspective economic planning is rare to go beyond the five-year period now. Formulation of temporal horizons helps us to comprehend the need in predictability if applied to social and labour relations. All the philosophy of talks, looking for agreement, conflicts and partnership is built on increase of predictability of the labour relations results. The level of social partnership development is often evaluated via appraisal of predictability as the collective agreement to be in force for three years (which in practice is the framework agreement with annual signing of certain payment terms and content of the wage

supplements and benefits) is evidently considered a more acceptable basis for productive and successful joint work than a collective agreement for a one-year period and what is more, than employment of workers without any agreements based on a labour contract. From the employees' point of view, the more predictable labour relations are as to their forms and content, constancy in results, the more motivation there is for highly efficient labour and output of high-quality products.

However, it should be acknowledged that the labour relations system is not a self-sufficient, closed system where everything is decided by partners, no matter at which level this system was built. In the course of globalization, integration of countries and their production into the global economic system, more and more at first external and then internal factors of production turn out to be connected with phenomena taking place beyond the national jurisdiction, outside the area where various collective agreements are in force. Globalization as a continuous process of changing the international division of labour, economic and political relations and tight interlacing of economies of various states in the direction of forming a united global economic system, in its positive essence should lead to increase of predictability, at least because of gradual centralization of the taking-decision system and obliteration of differences between sovereign systems of economic relations regulating. For example, the EU development as a regional segment of the global economic system could manifest this positive essence of globalization. However, the complexity and inconsistency of processes taking place in the process of Europe's globalization, together with the Euro-integration enthusiasm of the early 2000s, at the expense of the former socialist community, led to origination of the "Eurosceptics" movement, fiercely criticizing both decisions taken by European institutions and the very basis of united Europe together with the formed governance institutions, doubting elimination of nation-states, demanding to turn round to sovereign national governments. The exit of the United

Kingdom from the EU, not completed by now but not excluded from the agenda, became the extreme manifestation of centrifugal trends in Europe-building. It's becoming clearer and clearer that globalization in Europe led to inequality conservation and strengthening, securing economic lagging behind, chaotization of regional economic life. The task of making positive globalization fruits accessible for the majority of the population in European countries turned out to be insolvable.

However, reviewing the main globalization elements separately, it's not difficult to find out the reasons of such phenomena. One of the fundamental globalization principles, if not the principal one, is the freedom of capital flow. International trade is built exactly on the freedom of money flow and minimization of customs and other duties and various kinds of tariff barriers. At the same time, reformatting regional commodity markets, including consumer goods, comes on the shoulders of the free trade capital flow. Globalization brings transnational corporations' monopoly to the regions of the world via short-term price reduction, and that monopoly as it is well-known is the forerunner of drastic and not regulated price growth. The inflow of outside capital, foreign investments very often transform from the economic development tool into a machine for rivals destruction, gradually forming the new system of political management around itself, protecting one's own interests. Freely flowing capital gradually destroys the taxation order at first, then the budget provision that is replaced by crediting from international banking institutions, and as a result the level of regional development decreases down to the pre-industrial society, and then the regional economic system is destroyed and replaced by long-lasting debt bondage. Capitals inflow leads to the fundamental change of the established financial systems, and in a relatively short period of time leads to irreversible institutional changes of regional economies. In such an environment, the outflow of foreign capital that can take place both for economic and political reasons, is used as a tool for external

management, extraction of outside financial resources leads to considerable deterioration of the state of affairs, rolling down to much less sustainable positions than before outside financing.

The basis of such negative results of globalization is the fundamental postulates of the market economy of the liberal type with a thick layer of anachronism generated by periodic changes of political regimes in the countries at the wheel of globalization. Currently, it's impossible to come to the conclusion if such "birth injuries" of globalization can be overcome. But it's possible to come to the conclusion with strong grounds that hopes for a positive impact of globalization as a growth factor for predictability of the global economic system have not been justified, more likely, just the contrary, globalization has become the factor and tool for rapid reduction of manageability and forecastability, the tool for chaotization of economic life.

Is it possible to come to the conclusion that the system of social partnership as a set of tools for coordination of interests and reduction of contradictions, has no flaws or shortcomings, and is the "magic key" to the door leading to the world of predictable and dynamically developing working and economic life? It's possible to give only a partly positive answer. The problem is that injustice and inequality are in-built in the capitalist system's structure. Capitalism is unable to voluntarily refuse from liberalism as exactly here the foundation for exploitation is laid, the economic meaning of this system is exactly exploitation. Structural violence, about which Norwegian economist Johan Galtung wrote in the middle of the previous century, is internally inherent to this economic model and can't be replaced by the socialist partnership system. At the same time, it seems that the socialist partnership system is the only way to maintain relative peace at the labour battle front within the framework of the modern neoliberal model and is a fairly applicable tool to enhance predictability and manageability in the labour relations systems.