Disembedding the Company from Kinship: Unethical Families and Atomized Labor in an Estonian Mine

Eeva Keskiüla

Eeva Keskiüla is a postdoctoral research fellow in the Department “Resilience and Transformation in Eurasia,” Max Planck Institute for Social Anthropology. Address for correspondence: Max Planck Institute for Social Anthropology, PO Box 11 03 51, 06017, Halle (Saale), Germany. keskiuela@eth.mpg.de.

This article looks at the dynamics of the relationship between the company and the family in an Estonian mining town. In the Soviet period, the “double movement” of the second wave of marketization ensured that the family continued to be embedded in the workplace. The mining company served as a total social institution for miners and their families, a center of their economic and emotional life. The current third wave of marketization, together with a particular corporate ethic, is creating a separation of the family and the workplace. This is expressed in the gradual withdrawal of the company from the reproductive sphere of miners’ families and the transformation of moralities related to work and kinship. The discourse of increasing transparency and decreasing nepotism has resulted in a simultaneous alienation and recommodification of labor, reinforcing power hierarchies and fragmenting the labor force. Furthermore, this disembedding can be seen as an indicator of increased freedom for capital, as the obligations for welfare and reproduction have been pushed back to the sphere of the family.

Keywords: Kinship; Codes of Ethics; Labor Collective; Embeddedness of Economy; Labor Atomization; Third-Wave Marketization

The office of the mine surveying department in the Homeland Mine1 was quiet in the morning while some mine surveyors were still working underground, some had left for early lunch in the canteen, and the department head was sitting at his desk calculating production numbers. All of a sudden, a young woman from the human resources department arrived with a piece of paper that she attached to the notice board. “The company’s new code of ethics,” she explained to the department head, Sergei. “Make sure you and your department read it and that they sign off that they have read and understood it.” The same document, declaring general ethical values, was circulating among all departments. It contained points such as that employees should not work for a competing organization, should not consume alcohol in the

1 A pseudonym. All names of informants and companies have been changed to protect their identity.
workplace, and should not accept expensive gifts. One of the points read, “We will not work under the direct management of our relatives, family members, or friends because this kind of relationship can lead to a situation of conflict of interests. As managers, we avoid such situations and shall not recruit our relatives or friends to our department.” “But I have been the manager of my wife for ten years,” Sergei exclaimed.

This rather neutral and reasonably looking document initiated a distancing of the work and family sphere from each other within the mining company. The case of this Estonian mine shows a tradition of mining dynasties clashing with the increasing disembedding of the workplace from the family. The current intensification of an unregulated market economy, called neoliberalism or third-wave marketization, raises questions about the compatibility of kin morality and corporate codes of ethics. The sphere of production and reproduction are being reconfigured, as the capitalist firm distances itself from kin relations and the sphere of the family on the grounds of ethics and cutting costs. In this article, I argue that disembedding the company from kinship led to an increased atomization of the workforce and reembedding the sphere of reproduction and welfare within kin relations.

My ethnography is based on 12 months of fieldwork in a mining company based in Northeast Estonia. These mines were nationally owned, producing oil shale that was burned in the power stations nearby to produce electricity for the Estonian market. Due to the historical circumstances of the development of Estonian heavy industry, the workforce in the mines was mostly Russian-speaking, themselves or their parents having migrated to Estonia after the Soviet occupation in 1944. Since the status of work in heavy industry and the status of Russian speakers had declined following Estonian independence in 1991, the rest of the country had somewhat suspicious attitudes regarding the industrial region and its population. This was visible in the changes that the mining company underwent in 2009–2010 while I was doing my fieldwork. The mining company had recently been merged with the nationally owned power company Elex, managed from Tallinn, the capital of Estonia. The Estonian-speaking management in the capital was trying to apply similar management principles to all parts of the company, including human resource policies, such as the pay system, but also a common corporate culture and code of ethics. The ideas of morality and workplace ethics, however, were quite different in the Estonian-speaking headquarters and in the Russian-speaking production units of the East.

During this time, I lived with the family of a mining engineer, observed and participated in the work of different departments on the surface and underground of the Homeland Mine, observed trade union and management meetings, and participated in corporate events. The data obtained from workers was mostly gathered during their working hours in the mine and during rest and tea breaks. More formal interviews were set up with higher management at the beginning and the end of my fieldwork, in order to hear their reflections on the success of their planned work. In addition, I worked with archival materials concerning the mines and collected life history interviews from retired miners.
EMBEDDING AND DISEMBEDDING THE FAMILY FROM THE COMPANY: THE EVOLUTIONARY SCHEME

The statements on the sheet of paper pinned to the walls of the mining offices, especially the point about relatives working together, can be analyzed in relation to larger questions about the disembedding of the economy from social life (Polanyi 1957) and the alienation of workers from the workplace (Carrier 1992). Polanyi describes the capitalist market economy as being disembedded from the social matrix, in contrast to precapitalist societies where “man’s economy … [was] submerged in his social relationships” (cited in Carrier 2005:14) and access to labor was facilitated by kinship networks, not commodified or mediated by market exchange. In traditional societies, where the economy is embedded in the society and its moral order, monetary relationships are inseparable from ties of friendship and kinship. In capitalist society, monetary relationships are conceived as less moral and even antithetical to family ties (Parry and Bloch 1989).

On the basis of an analysis of industrialization in the United States and Britain, Carrier (1992) sketches an evolutionary model that describes the increasing alienation of people from the production process and relations of production, in which the workplace has become increasingly disembedded from enduring social ties. His Maussian model is based on a distinction between two forms of social life. In one, people are bound to each other by durable links of obligation and this defines their identity. In the other, people relate to one another through abstract, impersonal frameworks and institutions. Carrier follows the suggestion of Mauss and, implicitly, Polanyi that the economy becomes progressively disembedded from society as economic relations become increasingly removed from other types of social relationships (Mauss 2002; Parry 1986; Polanyi 1957). “This differentiation is manifest as an increasing distinction in the ways that people experience and think about their lives at work (i.e., as producers) and their lives at home. Work, and its associated objects and relations, are alienated from the individual, while home is not” (Carrier 1992:541). This divides a person’s identity into core and periphery, where the core is made up of enduring relationships, most importantly with their family, regulated by personal forces such as affection. The periphery is made up of more short-term, instrumental, commodified relationships, wherein people experience each other not relationally but autonomously, as independent individuals, and where relationships are regulated by the market (Carrier 1992). Tracing this development through four phases, the last phase of Carrier’s model is modern factory production, roughly from the 1900s until the current day, in which alienation has reached its supposed peak. Relating Carrier’s periodization to Polanyi’s allows us to rethink his Anglocentric model in ways that can accommodate an analysis of former socialist countries.

Polanyi’s first wave of marketization took place alongside the Industrial Revolution, and the second wave following World War I. A contemporary of the second wave, Polanyi saw the response to the increasing disembeddedness of the economy in the “double movement” of implementing countermeasures to control the market in relation to labor, land, and money, expressed through state socialism in the Soviet bloc and the welfare state in Western Europe (Isaac 2005). The post-1970s movement,
that Burawoy, following Polanyi, calls third-wave marketization (Burawoy 2008, 2010), aims to free capital from these constraints. The current era is often described as one of disembeddedness, characterized by “financialization, standardization of consumption, loss of several forms of identity essential for civilizing existence, and convergence of production techniques and economic and social policies” (Standing 2007:67). Central to these processes is labor recommodification, turning work into labor, which includes the destruction of institutions of social protection.

As the organizational and welfare costs of production are transferred from capitalists to workers themselves, times and spaces of production and reproduction are blurred, resulting in a reembedding of the economy within society (Mollona 2005b). For example, in Sheffield, UK, capitalism is manifested as “a hybrid mixture of industrial wage-work and bonded labour, nuclear families and patriarchal ideologies of male productivity, mass production and cottage industry, mechanization and hard and wearing manual labour” (Mollona 2005a), blurring the periods of Carrier’s evolutionary model. Similarly, the destruction of state socialism in the Soviet Union was followed by an unregulated commodification of money that destroyed the industrial economy and forced workers to retreat back into a subsistence, precapitalist economy based on exchange (Burawoy, Krotov, and Lytkina 2000). Furthermore, low-paid formal employment is often combined with informal, sometimes illegal employment outside the industrial workplace (Morris 2011; Morris and Polese 2013).

Thus, if we place the relationship between the workplace and the family on an evolutionary timeline, then the first and second waves of marketization that Carrier describes taking place in Western Europe indicate an increasing separation of family and the workplace. The double movement against this marketization leads to the welfare state or state socialism, where in some cases, such as the Soviet Union, the workplace takes over welfare functions, relating to the family as a unit of both welfare and labor. The third wave of marketization aims to free capital from the constraints of welfare provision in both Western Europe and the former Soviet bloc. This indicates a simultaneous increasing alienation of worker and his family from the workplace, a recommodification of labor, and a reembedding of welfare functions into the sphere of the society and kinship.

THE FAMILY IS THE COMPANY: THE EMBEDDING AND DISEMBEDDING OF THE ESTONIAN MINERS’ FAMILIES

The Estonian mining industry has been intimately connected with the institution of the family since its establishment in the 1920s. Men usually worked as private contractors in the mines, purchasing their own tools and dynamite for extraction works. They were paid by ton of oil shale that they mined. Rather than using the help of non-related laborers, they worked alongside their wives and children so that the money would stay in the family. The Soviet occupation brought about the compulsory participation in the labor force for women. The new policy of rapid industrialization meant that labor

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3 The third wave of marketization coincides with what Harvey (2005) calls the emergence of neoliberalization, characterized by decreasing constraints on capital.
was badly needed and many women were put to work in the mines as miners in their own right, rather than as the “helpers” of their husbands. In the 1950s, some of the hardest jobs in the mine, such as blasting, were taken up by women; women were seen as more accurate workers, better at economizing the explosives. Although women were banned from underground work in the late 1950s, there was plenty of work on the surface for miners’ wives. Women continued to be employed in the mining industry as laborers in the processing plant, laboratories, loading, and quality control departments, as well as in the social welfare sphere of the mines—the kindergartens, hospitals, and sanatoria. In a town where in 1991 40 percent of the population was involved in the mining and oil shale processing industry (Valge 2005), sons followed fathers to work in the mines, wives worked in the same mine as their husbands, and daughters followed in the footsteps of their mothers.

The embeddedness of the family in the company seemed to be linked to two aspects. First, under socialism, workers were tied to the company economically, as goods and services were redistributed through the company. This also meant that the sphere of reproduction of the family was linked with the company. Secondly, workers were connected to the company emotionally through the centrality of the mine and the labor collective to their lives. The workplace was a total social institution with extensive social, political, and cultural functions (Humphrey and Sneath 1999), where miners and their wives worked from the time of leaving school until their retirement.

As all social benefits, housing, and holidays were distributed through the workplace, workers were also incorporated into society through the goods that they received in the workplace; the collective was “the focus of almost every aspect of the social existence of its employees” (Clarke 1999:57). Housing, cars, garden allotments, as well as other goods not available in the shops, were distributed through the company. The company distributed subsidized holidays throughout the Soviet Union, and miners could improve their health in the best sanatoria. In the economically tough times of the 1990s, the trade union and the management of the company worked together to provide food for the miners by cultivating links with collective farms or food-processing factories. In a situation of shortage economy with the workplace as the central redistributor of goods, conflicts sometimes occurred, since blat relations needed to be cultivated to have access to certain goods (Ashwin 1996; Ledeneva 1998). This created competition among workers thus atomizing the labor force (Ashwin 1999; Clarke 1993). Furthermore, the piece-rate pay system created competition and conflict in the production process itself (Burawoy 1988; Filtzer 1986; Haraszti 1977). The workplace was not a harmonious unit of cooperation—the conditions of labor simultaneously atomized and united the Soviet labor force—but it was nevertheless central to workers’ economic lives.

As for the emotional side, the Soviet labor collective (kollektiv) was the social focus of workers’ lives, to which they were genuinely attached, as it brought an “escape from the drudgery of home and a welcome opportunity for ‘communal sociability’ in the cramped Soviet housing situation” (Ashwin 1999:21; see also Clarke 1993). The labor collective constituted the main social network for workers, especially for
those who had migrated from other parts of the Soviet Union (Lonkila and Salmi 2005). Family members not working within the company were also incorporated into the labor collective. Sports clubs, holidays in the mining company’s summer cottages, and excursions involved miners’ families even if they did not work in the mines, and spouses were always present during New Year and Miners’ Day parties. The embeddedness of the family in the company through leisure events was maintained after the collapse of the Soviet Union, although material benefits provided by the company were gradually withdrawn.

Labor dynasties had a special place in the company history. Tkach (2003, 2004, 2008) has argued that performing family histories of labor dynasties was an ideological tool for implementing the class, family, and labor politics, showing workers as part of a vanguard of society, an exemplary model for family and for labor discipline in the post-Stalin era. The dynasties represented a “labor aristocracy” that was to replace the prerevolutionary hereditary aristocracy. These families represented the values of gentility, professionalism, and discipline. In the Estonian mining region, moreover, mining dynasties were respected as a manifestation of local patriotism. While stories of dynasties in the company newspaper might have served a higher ideological purpose, miners internalized this discourse, and dynasties were well known and respected. After the new capitalist order ended the formal glorification of worker dynasties, families and kin connections were still honored informally in local circles, as well as by the local management who were themselves often representatives of prominent miner families.

Labor dynasties were important for both workers and engineers. Moreover, worker and engineer dynasties were not always separate from each other. The mine boasted many families that had started out as workers and worked their way up to be engineers in subsequent generations. Similarly, there were many families where fathers or grandfathers were respected managers but their sons preferred to become workers, sometimes earning more than their fathers. Studies of relations between workers and engineers in the Soviet period showed that, generally, workers’ social circles consisted mostly of people in their workplace, while for engineers, similar educational levels and social standing determined their peer group. Engineers practiced exclusivity by not allowing manual workers into their social circles (Teckenberg 1981). The employment and education system had also created strong institutional barriers to social mobility (Inkeles 1950). In the Estonian mine, there were also certain differences between workers and engineers, as they usually formed separate friendship groups, and engineers considered themselves more educated (Kesküla 2013). Nevertheless, both upward and downward social mobility were common within families and, until recently, the lifestyles and consumption patterns of workers and engineers were fairly similar (Kesküla 2012). More significant differentiation along both class and ethnic lines occurred between the Estonian-speaking top management in Tallinn, on the one hand, and the Russian-speaking workers and engineers in the Northeast, on the other hand. Therefore, the changes created by Elex’s new policies affected both workers and engineers, resulting in the fragmentation of a fairly homogenous group.
In a monoindustrial setting, where both economies and emotions are tied to the workplace, we cannot talk about the separation of work and family, the peripheral impersonal productive sphere and the core sphere of intimate long-term relations and obligations. The embeddedness of the family in the company described above, however, did not mean that the company was seen as a family. Anthropologists who have studied kinship in industrial workplaces have mostly focused on the metaphor of the *company as a family*. Very often this means noting the inner contradictions that accompany the metaphor of a company as a family, especially when deployed by employers or management. The company-as-family metaphor may function in discourse, shared events, and labor organization until layoffs or surveillance kick in (Kondo 1990; Müller 2007); it can be used as a tool by employers to convince workers to stay loyal to the firm, though workers themselves may reject the metaphor (De Neve 2008). Others have shown that metaphors of kinship can be used by employees and not understood by employers. For example, Elizabeth Dunn (2000, 2004) shows how during its takeover by an American company, the workers of a Polish baby food factory used the terms and language of kinship to make sense of the new changes. The Polish company was seen as a poor but beautiful Polish bride marrying a rich older American gentleman. When layoffs and uncertainties began, this was interpreted as a letdown by the groom.

In the case of the Estonian mine, the metaphor of the company as a family was hardly used. Rather, the family was already a solid building block of the company. During socialism, the state assumed the role of the patriarch, provider, and protector (Ashwin 2000; Verdery 1996), which led to a reconfiguration of gender roles. The state, and through it the company, assumed the providing and nurturing role. Nevertheless, no one talked about the company as a family or the company director as a father. Although patriarchal relations existed in the Soviet period as well as later, this did not create fictitious kin relations within the company. The company did not constitute a family in top-down management discourse or in workers’ discourse. Instead, the company was seen as consisting of clusters of the miners’ own literal families. Through the fact that their grandfathers and fathers had helped to build the mines with hard work, they claimed moral ownership of the company through a dynastic relationship to the mining profession and the region, seeing themselves as producing light and warmth for the country. Miners had somehow forgiven or forgotten the radical changes of the 1990s and early 2000s, including selling the company’s summer cottages, the sanatorium, and the children’s camp, and the closing of several mines that left thousands without work. Retired miners would show me their photo albums of the good times they had on the job, the souvenirs, and letters thanking them for their hard work. They felt a strong ownership of the company, built through the hard work of their fathers who had come to restore Soviet Estonia after the destruction of war, and where they had continued working, doing their hard and honest labor.

I would agree with Dunn (2004) that the idea of family is intimately linked with the company, but rather than working as a straightforward metaphor, it is always riddled with contradictions (Kondo 1990; Müller 2007), just as families themselves rarely resemble the ideal image. The company had been built by the family; therefore
family members who were engaged in other sectors of work—and the families’ children, the potential future employees—were also engaged in the capillary network formed around the company. I suggest that in the case of the Estonian mines, the focus of the struggle between workers and management was not about the ideology of “the company as a family” but about “family in the company.” In their attempt to implement a new corporate culture, fearful of promoting nepotism, this understanding of the intimate linkage of company and the family was about to change.

NEPOTISM OR FAMILY PRIDE? THE CLASHING VALUES OF WEST AND EAST

By 2012, the mining company was no longer a socialist concern. In the previous decade, principles of quality management, ISO standards, new accounting, audits, and personnel management had been implemented. Old Soviet machinery had been replaced bit by bit with new technology from the West, and managers were taught to come to meetings in shirts and ties rather than dirty overalls. The takeover by Elex and its new corporate policies continued the transformation of the company but touched upon the core values of miners more than the previous changes had. While I have framed the distancing of the family and company in terms of Polanyian disembeddedness and alienation, the management promoting restructuring tended to see the process more in terms of Weberian rationalization bringing about the most efficient and transparent way of governing, impersonal knowledge-based rules instead of traditional kinship-based ties and hereditary domination (Weber 1964, 1978).

Elex, which had thus far been the sole electricity provider in the country, was losing its monopoly position due to EU regulations that required liberalization of the energy market, which was supposed to lead to better services with lower prices, greater consumer choice, energy supply security, and more cross-border trade (European Commission 2012:13). The new EU rules about open markets and transparency raised suspicion about the governance of state-owned enterprises (SOEs), due to their intimate connection with the state and poor fit with the ideology of the free market economy. This led to the requirement that SOEs adopt management practices similar to those of private companies, including implementing codes of ethics. A recent study by the Baltic Institute of Corporate Governance compared the management practices and transparency of SOEs in the Baltic countries, allocating the second highest score to Elex. In the report, good governance was explained as follows:

In practice this means defining desired outcomes, nominating the best most skilled and talented people to guide the SOE and monitor management and operations, incentivizing hard work and good performance, and ensuring accountability for results…. Good governance also relies fundamentally on systems of reporting, audit and control that minimize risks, the potential for corruption, and conflicts of interest. Seen from the opposite perspective, politicized and uneconomic decision making, nepotism, opacity, corruption, and lack of controls and accountability are all antithetical to good governance. (Baltic Institute of Corporate Governance 2012:5)
Characteristic of this report, and of the management of Elex, was the desire for a well-functioning auditing and incentive system and fear of being associated with corruption and nepotism. Public expectations about the management of nationally owned companies were high. Management practices similar to those in the private sector were used, confirming similarities between state-owned and private companies.

The transparent and nepotism-free workplace that the Tallinn-based human resources department genuinely believed in resonated with the desire to eliminate the dark side of the kin-based company—the personalized blat relations, often based on kinship, that ensured access to jobs, goods, and services only to a select group (Ashwin 1996). Indeed, miners also felt the injustice of unfair blat relations. For example, it was considered unfair that an Estonian-speaking engineer was given a high position straight after graduating from the Mining Institute because his mother had been a top manager in the mine. Their bitterness was however not induced by the fact that the manager got the position, but that he did not follow the path of the other sons of manager fathers—starting from the position of an underground foreman and then working his way up the career ladder and to an office job on the surface. Blat relations were seen as unfair by both the company management and the local miners and engineers—but only miners differentiated between earning something by blat or simply following in the footsteps of the father and grandfather (and perhaps ending up in the same department).

The company’s policy of removing family and kinship ties from the sphere of the company, the sphere of labor commodification, creates a strange reversal of understandings of morality often seen in social anthropology. Many ethnographies have shown how peasants reject capitalist arrangements or deem them immoral (Ong 1987; Taussig 1980). Emphasis is placed on the morality of the domestic, kin-based economy and its contrast to the commodified, market-based labor relations. Often, money is seen as immoral, needing to be purified before it can enter the domestic sphere (Carsten 1989; Parry and Bloch 1989; Toren 1989). Money earned from mining has a particularly immoral character in many contexts, as tampering with the earth and its resources may upset local cosmologies. Thus, money earned from mining is hard, if not impossible, to purify and can only be used for fulfilling one’s immediate desires. Such “hot money” (Walsh 2003), “bitter money” (Werthmann 2003), or polluted money (High 2013) cannot be used in the sphere of the family to pay bride-price, sponsor life-cycle rituals, acquire cattle, or any other kinship practices with long-term consequences. Thus, wages from mining should be kept out of the family sphere to prevent misfortune. For Estonian miners, the situation was the reverse: wages from mining were honorable earnings used to “feed the family.” This money was somehow more valuable than money earned with additional jobs such as driving a taxi on the weekend. Furthermore, not only the wages but also social welfare and leisure activities directly related to the reproductive sphere were provided by the mining company and this was considered natural by miners. When these institutions, for example the sanatoria, were privatized, it was seen as immoral to thus separate labor and leisure. Excluding family members from company activities suggested the
potential for immoral or illicit sexual relations, which the overlapping of the work and family sphere could help prevent.

Instead of miners trying to purify the benefits earned from the sphere of the workplace, we can see the company purifying itself from immoral kinship relations that interfere with transparency and pure commodification. The family sphere, associated with enduring ties of reciprocity, seems immoral in the impersonal space of labor commodification and market economy. The effects of this ritual of purification, however, go much deeper than the purified space, as the new policies directly influenced the conditions of labor. I argue that this disembedding of the company from the family results in two processes: first of all, the further atomization and individualization of the workforce and, secondly, a withdrawal of the obligations related to welfare and reproduction of the family that were previously placed on the company.

IMPLEMENTING FAMILY-FREE ETHICS

Mining is a family trade, mainly because there is often little else to do in mining regions. Even more so is mine surveying, and mine surveyors have their own very strong professional identity. Often the mine surveyors working at Homeland were from families whose parents had been mine surveyors in Russia or Ukraine. This was the case with Sergei and Katia, who both decided to pursue their parents’ passion and started their studies at the Saint Petersburg Institute of Mining. They became classmates, fell in love, got married, and were both appointed to work in Soviet Estonia, Katia in the Homeland mine and Sergei in another mine nearby. When the other mine was closed ten years ago and the head of the surveying department at Homeland retired, Sergei was invited to become the new head. He and Katia had been working side by side for ten years, each responsible for their own job.

Suddenly, after the declaration of the new code of ethics, the head mine surveyor from the local central office announced that Katia and Sergei were not allowed to work together anymore. (The decision came from Tallinn, and the head mine surveyor’s own family was also broken up by this arrangement.) The mine surveyors had proposed discussing the matter with management to come up with a solution, but they were not heard and within a week, Katia was transferred to another mine, which was to be closed in two years. There was no support from the trade union which was busy negotiating the “hard issues” of pay, annual leave, and other labor conditions in the collective labor agreement. The company code of ethics seemed like an unproblematic issue to them, and since union membership was declining and its position weakening, they did not interfere. Sergei was extremely upset when he told me about this. He felt that he was not respected and trusted, that his family routine of travelling to work together had been broken. Moreover, he had lost one of the best specialists in the department, Katia, who was always very responsible, precise, demanding, and knew her parts of the mine very well. When this happened, Katia and Sergei’s daughter Dar’ia had been home for a break from university. Dar’ia was a third-year student at the Saint Petersburg Institute of Mining; she was studying to become a mine surveyor like her parents. (Sergei had thought that Dar’ia was more of a hu-
manities type and warned her that it was an extremely tough job for women, but Dar’ia had insisted.) When she heard about what had happened, she gave up the idea of coming back and working in the mines in Estonia. She could not work in the same department where either her mother or father was a manager, and she would not even want to, if her parents were treated with such inflexibility.

Recent anthropological work on codes and standards has shown that rather than being simply technical tools to regulate labor regimes, they create new forms of power and inequality (De Neve 2009; Dunn 2005; Rajak 2009). De Neve shows convincingly how the ethical standards imposed on Indian producers by Western companies do not improve the conditions of workers on the shop floor, but, instead, what he calls the politics of compliance gives the stronger party another tool to expand its control over others.

Ethical compliance allows for a powerful politics of inequality to unfold precisely because it is wrought in the nebulous languages of CSR, philanthropy and partnership, and because it presents the market as benevolent and the actors involved as caring and compassionate. As a result, the politics of compliance contributes to the consolidation of the power of standard-setting actors by facilitating the devolution of risk, uncertainty and responsibility to the weaker “partners” in the chain. The ultimate paradox is that while CSR claims to protect the weakest and poorest from the ills of the market, it in fact allows the market to govern in its most unchecked fashion. Through the politics of CSR powerful corporate regimes of control and governance are unleashed that construct new hierarchies of value and morality. (De Neve 2009:71)

Dunn (2005) notes the same about the application of EU standards in Poland. She shows how implementing standards is not only about improving product quality but also making firms more like they are in the West, and making postsocialist farmers, workers, and managers more similar—though not necessarily equal—to those in the West. The aim is to create homogeneity across the world, but this homogeneity is always related to global hierarchies. “The hierarchy of value that standards lay out quickly transmutes difference into impurity. Standards thus act as more than technologies for organizing and regulating markets, and express fundamental social relations between groups” (Dunn 2005:181). Instead of homogenizing persons, she believes, standards create inequalities between persons, and Eastern Europe, with its different institutional legacy, becomes inferior.

Elex’s new code of ethics, like other codes and standards that try to enforce the same rules everywhere, did not consider the legacy of mining as a family trade. By applying the idea of a company ethic, the management was able to override local family ethics and represent them as somehow dirty, suspicious, inferior, and corrupt. Particular ideas of corruption and transparency, as measured in the report of the Baltic Institute of Corporate Governance (2012), not only orientalized any other values than those represented by Elex management but also confirmed the hierarchy of power whereby local management could no longer argue against those 200 kilometers to the west, and local workers and their families had no other options but to
comply with this new vision of individuals whose family is external to the company. What was seen as family pride in the mines was seen as nepotism in the offices in Tallinn. The two mine surveyors, like numerous other families in the mine, were transferred or at least became suspected of nepotism. In the course of the purification of the workplace from unethical kin relations, workers became victims of the new project of corporate ethics of transparency, where family relations were no longer embedded in the workplace.

I suggest that the discourse of ethics and fighting nepotism was used to fragment the Russian-speaking working class and engineers and to redistribute power. Breaking up families meant breaking up work units that were accustomed to contributing together to the daily functioning of the mines. Breaking up families was a tool for breaking up collectives which could stand up to injustice due to strong collective ties. The Tallinn management’s inquiries into labor relations (if the mother works in the human resources and the son is the combine driver in the same mine, it means she pays his salary, certainly that’s unethical?) cultivated an atmosphere of fear and suspicion within the company and disillusionment and losing the sense of ownership among workers. Breaking up strong units led to a situation where every worker was supposed to stand up for himself, act as an individual, in an individual relationship with the company, rather than as a unit consisting of workers whose interlacing of collegiality and kinship had cemented strong ties among themselves and in relation to the company. This indicates that the third wave of marketization that aims to further create alienation between family and the workplace also causes alienation of the worker from his or her colleagues, an atomization of the workforce that does not recognize any units other than individuals, and where the family and the labor collective are discarded. This indicates a wider power shift from workers to capital.

WITHDRAWING FROM THE SPHERE OF REPRODUCTION

The second family-related change in the company was distancing the company from those family members who were not employed by Elex. This meant removing workers’ spouses from company events and generally distancing the company from the workers’ family unit. This is related to an emotional distancing of workers from the company, as Carrier describes, creating the core of more enduring relations in the sphere of the family and the periphery of commodified instrumental relationships experienced as independent individuals.

It was a cold December morning, the sun rising and reflecting its red light on the piles of white snow on the edges of the road, on the fields and forests, when Veronika from the public relations department and I drove to the biggest open-pit mine to talk about the Christmas party. The management of the open-pit mine was having their weekly meeting, and Veronika thought it would be a great opportunity to encourage managers to come to the highly controversial Christmas party organized by the public relations department in Tallinn. As we drove, seeing the chimneys of the power plants drawing closer and closer, Veronika explained that she was in a very difficult situation. The Party of New Energy that was going to take place in the beginning of
January, and in which all employees of Elex were supposed to participate, was not popular among the miners. The new format that was introduced the previous year encountered resistance because of general dissatisfaction about the changes in the company after the takeover by Elex in Tallinn. Besides everyday changes to the work and pay processes, miners regretted the abolition of smaller parties with their close colleagues that they were accustomed to. This year, it was Veronika’s job to make sure more people turned up at the party. As a local, she completely understood the miners and was not sure about the party herself. But as part of the centralized public relations department, Veronika had to do her job.

We arrived at the end of the meeting of department heads and managers, who were mostly mustached, middle-aged Russian men in shirts and ties; the only woman besides ourselves was the local human resources manager. Veronika gave a PowerPoint presentation introducing the concept of the party that was supposed to take place in five locations in Estonia, with videoconferencing from different places for speeches and performances. At the end of the presentation, Veronika asked the managers if they wanted to go to the party at all, because if they did, then the department heads would be the key people to encourage workers from their departments to join in. The general reception was positive; people agreed that of course a party was needed and discussed the location, transport, and catering. Only then did Veronika clarify that the party would not include partners, that it would be only for the employees of Elex. Miners had traditionally held their parties in smaller groups, usually just their own mine or quarry, and wives had always been present. Miners love to dance, and a party with a bunch of men and no one to dance with did not sound attractive to them. Miners’ wives also love to keep an eye on their husbands—not so much to stop them from drinking but to make sure that they do not go off with other women.

The men at the meeting turned slightly grumpier but did not complain much. One of them joked that coming without wives was not really an issue for them: the problem was more how to explain to their wives that they had to stay at home. The meeting ended without a real conclusion; the department heads promised to spread the message among their workers but it was clear that they were not so sure about it themselves.

A few days before the party, I found out that the one that was supposed to take place in the mining area had been cancelled. When I asked several people why that was, the public relations people told me that it was because too few people had registered. Workers simply replied that it was not their party, and this was why no one went. The miners were still invited to join the power plant workers’ party in Narva, fifty kilometers away. Those few miners who went were generally happy with the party, where, in addition to speeches and discussion about the great achievements of the company, there was plenty of food, alcohol, and dancing.

The new tradition of having parties without wives present was justified by the argument that it was still a work event (between dances, company production numbers were shown, for example) and that because of the economic crisis it was necessary to cut costs by allowing fewer guests. Miners however could not understand the sudden introduction of the idea that their spouses should not attend the party. Fam-
ily is one of the most central values in the region; miners and their families had all been very tied to the company. As Marilyn Strathern indicates, the emergent consensus in the West “endorses government through the twin passage points of economic efficiency and good practice. This is how the financial and the moral meet in one turn of the century rendering of accountability” (2000:1). In other words, by emphasizing the purification from nepotism, as well as economic efficiency, through the removal of spouses from company events, Elex was following a model characteristic of the new mode of governance, responding to the demands of transparency and organizational setup established by an emerging audit culture.

Although Elex was a company that officially supported family values, their discourse and understanding of these were different from that of the East. As Elex advertises to their potential future employees, they claim to endorse family values by allowing workers free time with family. As the website states,

We believe the work and personal lives of our employees should be in balance.
We give additional holidays and days off to our employees for family events.
We pay a bonus when our employees have a child and when the child first goes to school.
We host a joint Christmas party for the children of our employees, with Christmas presents for the children.

From this vision, it was clear that the family-friendly policy of Elex was different from what miners understood as family-friendly policy and practice. Management stated that it was ready to support people with families and even give them extra free time to spend with their families, but this was supposed to take place outside the framework of the workplace; work and personal lives became two distinct and completely separate categories. What was understood as the pride of mining dynasties and professionalism—including chances for husbands and wives or fathers and sons to work together—in the East was understood as nepotism that had to be uprooted immediately in the West. Hence, despite the discourse of family friendliness, the new management practices were breaking up the family as a unit intimately tied to the workplace, as it had been understood in the East for so many decades.

This change, exemplified by the Christmas party, indexes more general trends of the withdrawal of the company from the family sphere by limiting workers’ spouses’ participation in company life. Since the 1990s, the transition to a market economy had been characterized by the withdrawal of the company from the reproductive sphere. Company hospitals and kindergartens were handed over to the city, the children’s camps were closed or privatized. A privatization of the sphere of leisure and reproduction took place, both in the economic sense of miners’ cultural and sporting and welfare facilities becoming privately owned and in the sense that the sphere of leisure and reproduction became something private. The company, instead of being a total social institution, shifted to having the individual, rather than the family, as its unit of management. By removing the family from the sphere of the company, it endorsed values of individualism and the treatment of workers as independent, atomized entrepreneurs. By pulling out of the sphere of welfare and reproduction, the
burden was shifted onto families, further increasing the disembedding of the economic from the social, recommodifying labor as a purely monetary relationship, and removing it from the family as a sphere of reproduction.

CONCLUSION

Questions of family, kinship, and capitalist enterprise deserve a more thorough analysis than simply exploring the company-as-family metaphor. The narrative of industrialization in the West shows the head of the household going to work in the factory and an increasing alienation of the domestic sphere from the sphere of economic transactions in which work is situated. In fact, the story is more complicated, as the second wave of marketization was accompanied by a double movement promoting improvements in welfare. In the Soviet Union, this double movement was expressed by the distribution of goods and services through the workplace. Furthermore, it was not only the head of the household but also his spouse who went to work, often for the same company. The third wave of marketization or neoliberalism in most of the world has involved a retreat of the welfare state, which in the Soviet case brings about the demise of the total social institution of the industrial workplace. These economic trends are accompanied by particular practices of audit culture (Shore and Wright 1999; Strathern 2000) and corporate ethics. The new corporate ethics, characterized by ideas of the free market, meritocracy, and transparency, aim to implement the same principles everywhere. What might, at first glance, look like a meritocracy-based model of Weberian rational bureaucracy, liberating the company from blat-ridden kin relations, actually reinforces the power of capital by applying the same, seemingly neutral standards to all. Instead of increased fairness and opportunities, the result is a further fragmentation and individualization of the labor force, disempowering workers. For a monoindustrial mining community with strong feelings of moral ownership of the company, sharing conservative values about the centrality of the family with mining communities elsewhere, these new policies seemed particularly alien.

There has been a move away from a model where the workplace is the economic and emotional center of life for the whole family to a model where the workplace supports the individual worker, guided by the rules of the market, and the family belongs to the private sphere of affection and reproduction. When in nonindustrial societies the onset of mining causes the moral disruption of the local cosmology by dirty money, in long-industrialized mining communities the violent separation of mining life and family life causes moral outrage. Nevertheless, the situation that miners used to enjoy before the code of ethics was implemented was not an articulation of the discourse of company as a family that anthropologists have described for other settings but rather of families IN the company. In the new situation, the words family and company do not fit together at all. This new situation does not raise issues in relation to workers versus engineers in the mine but confirms how class lines in Estonia often correspond to ethnicity: a Russian-speaking industrial class of miners and mining engineers versus an Estonian-speaking managerial class.
Carrier (1992) argues that the greater differentiation between economic and social life means that people are increasingly likely to be confronted with the task of negotiating the boundary between the two realms, which are, respectively, personal and impersonal. When the new logo of Elex was introduced as “green and sexy” in the brand meeting, the local public relations representative Veronika said that she had imagined a sexy girl in a green swimsuit. This idea of selling sexy young single people did not appeal to her, and she thought, “Why can’t we be green with a family?” The sudden and violent disembedding of family from the sphere of work in the case of Estonia has upset mine workers deeply. It points to the onslaught of the hegemonic ideology where people relate to each other as individuals at work, on a contractual, utilitarian basis, while the family, of longer term, reciprocal relations, is a separate, intimate sphere. One cannot be in a sexy green swimming suit representing the company and bring one’s family along at the same time. The disembedding of the company from the family is not only a question of two clashing moralities and ideas of purity but, as with other codes of ethics, is also a powerful tool for reinforcing hierarchies of labor and capital by fragmenting the workforce.

Current accounts of deindustrialization in Western Europe demonstrate processes of reembedding the sphere of reproduction and welfare within networks of extended kin. When looking only at the formal economy, such as a large mining company, we see a separation of work and life as characterized by Carrier. But third-wave marketization also means the withdrawal of the state and formal employment institutions from the sphere of welfare. In the post-Soviet context this means withdrawing benefits such as family recreation opportunities, as well as social welfare, which were formerly provided by the company. Nevertheless, production and reproduction remain intertwined in the sphere of informal labor. Thus, separation of the family from the sphere of formal employment is simultaneous with a reembedding of welfare and reproduction back to the informal family sphere.

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ВыСВОБОЖДАЯ (DISEMBEDDING) ПРЕДПРИЯТИЕ ИЗ УЗ РОДСТВА: ДУРНАЯ СЕМЕЙСТВЕННОСТЬ И АТОМИЗИРОВАННЫЙ ТРУД НА ЭСТОНСКОЙ ШАХТЕ

Эва Кескюла

Эва Кескюла – постдокторант Центра исследований устойчивости и трансформаций в Евразии Института социальной антропологии им. Макса Планка. Адрес для переписки: Max Planck Institute for Social Anthropology, PO Box 11 03 51, 06017, Halle (Saale), Germany. keskuela@eth.mpg.de.

В статье рассматривается динамика отношений между семьей и предприятием в шахтерском городе в Эстонии. В советский период семья оставалась включенной в жизнь предприятия благодаря «двойному движению» второй волны маркетизации. Угледобывающая компания выполняла функции тотального социального института по отношению к шахтерам и их семьям, являясь экономическим и психологическим центром их жизни. Результатом третьей волны маркетизации стало разделение сфер семьи и работы, отвечающее специфической корпоративной этике. Компания постепенно самоустранилась из репродуктивной сферы семей рабочих, трансформируя моральные принципы отношений работы и родства. Дискурс, направленный на увеличение открытости и устранение семейственности, имел следствием одновременно отчуждение и товаризацию труда, укрепление властной иерархии и атомизацию рабочей силы. Наконец, этот дискурс свидетельствовал о возросшей свободе капитала от обязательств по социальному обеспечению и воспроизводству, отброшенных обратно в семейную сферу.

Ключевые слова: родство; корпоративная этика; трудовой коллектив; укорененность экономики; атомизация труда; третья волна маркетизации