

Women and Economic Restructuring The Paradoxes of Constructing

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Cet article examine les revendications associées à l'émancipation d'une femme d'affaires de l'Ukraine contemporaine. En attirant l'attention sur l'inégalité des sexes sur le marché du travail de l'Ukraine, un nouveau concept qui est symptomatique des tendances sociales d'aujourd'hui, l'auteure assure que l'exode en masse des Ukrainiennes qui se sont lancées dans le commerce de part et d'autres des frontières est plus ou moins légal et risqué et n'offre pas beaucoup d'espoir pour une promotion ou la prospérité.

Not so long ago, the Ukrainian edition of the American journal *Economic Reform Today*, published in Ukraine since 1996 with the support of the Center for International Private Enterprise, U.S.A., devoted a special issue to the exploration of the question of women's growing role in the global economy. In this thematic volume, entitled "Women: The Emerging Economic Force," Ukrainian and American scholars and practitioners embarked on a discussion of different aspects of women's involvement in international trade in different countries. Repeatedly, claims have been made about the growing role of women in the global economy, the greater profits of female entrepreneurs who operate internationally, and the qualities that women bring to international trade. The articles, however, failed to provide an empirical account of the actual current gendered trends and developments in the local (Ukrainian) market and their relationship to the emerging global market. Quite alarming, from my perspective as a Ukrainian woman and feminist scholar, is the fact that the category

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"businesswoman" has been transferred into the Ukrainian context without an analysis of the local meanings and understandings that are ascribed to the term in discourses on women, globalization, and the market in Ukraine.

The images and representations of women's roles in international trade as derived from western sources seem inaccurate given the current economic anomalies of the Ukrainian labour market and their gendered impact on Ukrainian society. Today cross-border trade, the largest sector of the gigantic informal economy of Ukraine, "employs" millions of the Ukrainian women who lost their jobs as a result of economic restructuring and Ukraine's entrance into the global market. In this paper I will discuss the gendered issue of cross-border trade in Ukraine in the context of the current economic restructuring of Ukrainian society. First, I will outline the current economic land-

scape of Ukraine with a special focus on women's role in the informal economy. Then I will shift the focus to the new modalities of female-dominated cross-border trade that emerged in Ukraine in the early 1990s. These new patterns of cross-border trade are exhibited in the development and expansion of a "shuttle trade" that became the chief occupation of Ukrainian women in the period of transition. I will conclude by critically assessing the possibilities of empowering Ukrainian women for participation in the rapidly changing global economy.

Discourses on Women, Globalization and Markets in Post-Socialist Ukraine: From Rhetoric to Reality

The collapse of the Soviet Union in 1991 and the opening of Ukrainian political and economic borders symbolized the beginning of the transition from an administrative-command to a market economy, as well as the entrance of Ukraine into the global economy. Contrary to the situation in the Soviet state where the government exercised full control over international trade, in the newly-formed states of the former Soviet Union the people had the opportunity to explore hitherto inaccessible forms of economic activity (Humphrey). However, not only did the advent of globalization and the broad spectrum of societal transformations reveal the old gender antagonisms endemic in Ukrainian society but they also produced new gender concerns and anxieties. Commenting on the situation in the emerging market economies of East-

in Post-Socialist Ukraine a Businesswoman

ern Europe and the former Soviet Union, Suzanne LaFont writes:

The international involvement and investment of foreign capital are dominated by men, and male nationals are receiving the training, technology and skills to enter and thrive in the market economy. Consequently, many women are being left behind or are on the periphery of economic growth.

During the early stage of reforms, transition/globalization was represented as a space where new women's identities could be crafted and articulated. Hence, at the outset of the reforms, women had a genuine hope for a positive change toward equality (McMahon). However, the profound changes in the relations between women and the state, such as the elimination of the social services net, inevitably led to the invention of new gender configurations and new gender imagery to fit into the evolving rhetoric of transition/globalization in the post-socialist societies. In her article on the intersection of new women's identities and the free market discourse in post-socialist Ukraine, Zhurzhenko (2001) states:

The abandonment of state paternalism and the collapse of the system of social protection caused the end of the social contract between working women and the state and pushed them in search of new life strategies and identities. In response, mass culture offered an already existing set of western identification models, ranging from the thriving

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ing businesswoman to the ideal housewife. (30)

Although the two models of identification are closely interrelated in the Ukrainian context, for the purposes of our discussion I want to focus on the image of the thriving businesswoman as it pertains to the divergent and contradictory processes of construction of the social identity of Ukrainian women in the wake of transition/globalization. At the discursive level, the project of creating new women's identities in contemporary Ukraine allegedly encompasses economic, political, and other forms of emancipation of Ukrainian women. However, the analysis of the current situation points to the marginal status of Ukrainian women in all spheres of society. Under certain circumstances, Ukrainian women involved in semi-legal cross-border trade would become the most likely candidates for joining the ranks of international

businesswomen. However, at present there is little hope for a possibility of upward mobility or economic prosperity. Whereas the new Ukrainian business elite (the owners of medium- and large-size enterprises) is almost all male, the low-paid and non-prestigious sectors of the fledgling Ukrainian market, most notably, cross-border trade and street-selling, are heavily populated by women. This situation can be explained in part by the uneven process of privatization of the former state property in Ukraine, as the majority of the privatized capital is now concentrated in a few men's hands. On these terms, the shifting professional location of women and their massive entrance into the informal economy results in deskilling, deprofessionalization, and disempowerment of the female population in Ukraine. In fact, according to a recent report by the International Helsinki Foundation for Human Rights (IHF), 70 per cent of unemployed women have higher education.

The rhetoric of transformation has proven to be an elusive mirage for Ukrainian women who have had to bear the social and psychological costs of the reforms. At present, the symbolic positioning of women in Ukrainian society is defined through two different realities of the much-talked about project of developing female entrepreneurs/businesswomen and the reality of women's existence in the male-governed labour market that makes women increasingly dependent and reliant on its operations. This ultimately produces new forms of gender inequality and hierarchy. Against this background, I now turn to the discussion

of the ways in which identities and biographies of Ukrainian women involved in cross-border trade are interwoven onto the dialectics of the local and global marketplace.

Feminization of Cross-Border Trade in Ukraine and the Emergence of a *Chelnok* Identity

The decrease of industrial outputs, the deepening economic stagnation of the public sector, and the loss of social benefits swiftly altered the symbolic and strategic positioning of women in the Ukrainian labour market. Federal employment statistics in Ukraine indicate that now more than two-thirds of the unemployed are women. According to the Information Bulletin of the State Committee of Ukraine for Statistics, of those who lost their jobs since the Soviet Union dissolved in 1991, more than 80 per cent are women. Under these circumstances, Ukrainian women who traditionally bore the responsibility for household provision and consumption, faced the major challenge of providing for the basic needs of their families. In Ukraine, the joining of the global market has led to the demise of the security and benefits of the public sector. Many female-dominated industries such as textile and clothing have collapsed as they could not compete on the global market (LaFont, 2001: 5). Further, the flow of cheap foreign goods and food items to Ukraine has undermined the system of local production and employment. With the opening of the global market, the downsized, deregulated, and privatized public sector was no longer able to accommodate the numerous female workers. As a result of this economic metamorphosis, Ukrainian women were only left with the option of turning to the growing shadow market that at least offered some means of surviving the "cowboy capitalism" of post-socialist transformations.

The paradox of crafting an identity of a businesswoman in Ukraine

lies in the fact that this project is evolving in the aftermath of the totalitarian pseudo-emancipation of women while simultaneously absorbing new global patterns of gender inequalities. As the majority of Ukrainian women have been pushed to the fringes of the global economy, many of them have been forced to

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resort to alternative economic strategies for survival that range from shuttle trade and street-selling to selling sex and selling themselves as mail-order brides.

The metamorphosis of the market in Ukraine has thus resulted in a massive deskilling and commodification of the female population as well as in altered professional identities of Ukrainian women. Well-educated Ukrainian women, including those in the medical, teaching, legal, economics, and engineering professions—the intellectual and technical elite of the Soviet state—suddenly found themselves in the market of the newly-independent Ukraine in the unfamiliar and, to most uncomfortable, role of "shuttle traders." In the Ukrainian context, shuttle trade is a semi-legal cross-border trade that plays a significant part in the informal economy of the Ukraine.

The women in Ukraine involved in cross-border trade are called *chelnoki*. *Chelnok* is a derogatory term

that has nothing to do with images and representations of businesswomen circulated in the Ukrainian media and political discourses. According to the statistics, women comprise 60 to 70 per cent of the *chelnoks* in Ukraine (Zhurzhenko). The life of a *chelnok* is that of a nomad. Women in the shuttle trade have to travel across borders to neighboring countries (Poland, Russia, Turkey) where cheap goods are bought and then transported to be sold in one of the local Ukrainian markets. The women involved in shuttle-trade are responsible for planning and arranging their trips. Many highly-educated Ukrainian women, who, as a result of the new labour market scenario, had to assume the unfamiliar role of the *chelnoks*, feel betrayed by the state that silently watched, and even encouraged, women's flight into the shadow economy. The following is a quote from one of the women-*chelnoks*. Oksana (a pseudonym), holds a Ph.D., lectures at one of the local universities, and has been a *chelnok* for three years. Here is an excerpt from Oksana's story:

I had to feed my children. When I found myself alone with my children, it was very hard. There were times when we collected empty bottles in the streets. I was always betrayed by the state. Now in the institute [where she teaches] nobody receives salaries for several months. I'm not ashamed of what I have to do—let those in the government be ashamed.... Science and lecturing are my love, the market is my life.... At the moment, I don't see any other prospects of earning a living. (cited in Zhurzhenko 1999: 256-257)

The life of a *chelnok* is full of risks and uncertainties. The novice female *chelnoks* who have little or no understanding of how cross-border trade works, are often abused and cheated by the sellers of goods in neighboring countries, by corrupted

customs officials, and by criminal groups. Also difficult are the harsh climatic conditions during the winter, the stress-related health risks, and the time spent away from families. For Ukrainian women in the shuttle-trade business, the rhetoric of women's roles in international trade promoted by media and political discourses, has little connection to their daily struggle for survival in the troubled country that can neither protect its female population nor guarantee their personal and financial security. For the majority of Ukrainian women, the decision to become a shuttle trader was not a matter of choice but rather a necessary step dictated by economic conditions. As Liapina suggests,

While [Ukrainian] men are talking about the global theoretical questions of building a developed capitalist society, women must feed their children—not in theory, but in practice. (28)

Interestingly, contrary to the state's attempts to portray the female *chelnoks* as businesswomen, the women themselves tend to represent their identities in terms such as "home establisher" or "housewife" (Zhurzhenko 1999). Clearly, the tensions between the ascribed and achieved identities of female *chelnoks* require further analysis. For now, it is sufficient to say that women largely describe their new economic selves as financial rescuers of their families and as protectors of their children from poverty. Very few talk about expansion of their economic activities. The questions of liberation, empowerment, or emancipation never enter the conversation. Overall, the narratives of women in the shuttle trade show little variation in terms of the circumstances in which women joined the ranks of *chelnoks* and the effect this decision has had on their personal and professional identities. No doubt, for many women, especially for those with high levels of education, such a biographi-

cal shift manifests in one way or another as an identity crisis. Being forced to explore the *terra incognita* of the shadow economy, Ukrainian women in the shuttle trade found themselves caught between the reality of poverty and marginalization and the rhetoric of a new Ukrainian woman.

From *Chelnok* to Business-woman: Imagining New Identities of Ukrainian Women in a Cross-Border Trade

Many scholars and practitioners have emphasized the importance of the economic activities of women in the development of a national and global economy. A number of international organizations as well as donor agencies and western NGOs operating in Ukraine have introduced special educational and training programs focused on the support and development of business activities of Ukrainian women. Clearly, the women in the shuttle trade business who have already accumulated market-related knowledge and developed the skills of maneuvering in an unstable economic environment should become the critical force in the formation of the first generation of Ukrainian businesswomen.

Ukrainian women involved in cross-border trade have a lot of potential and are capable of doing much more than operating the semi-legal business of shuttle trading. The question arises, however, as to what mechanisms of support would allow Ukrainian female *chelnoks* to move from the shuttle trade to the establishment of their own business enterprises that would operate not only nationally but also internationally. How can a marginalized and disempowered *chelnok* become a successful businesswoman? What national policies and strategies should be developed and implemented in order to help Ukrainian women who aspire to careers in business and international trade? Most importantly, is this transformation at all possible

without the open discourses and public dialogues on the gendered nature of current economic and political developments in Ukrainian society?

According to studies on women, globalization, and international trade, the major obstacles to women's economic success in the global market include women's limited experience in the area of international trade, lack of formal education in this area (and, in general), and limited access to resources and information (Jalbert; Sandor). In addition, societal attitudes as well as cultural and religious traditions may impede women's participation in the global economy (Jalbert). The studies that focus on women in transition economies (specifically of the countries of Eastern Europe and the former Soviet Union) point to some additional challenges and dilemmas faced by women seeking new economic opportunities, such as problems in banking, the legal sphere, and in tariff regulations. Bureaucracy inherited from the Soviet regime is identified as another obstacle to the development of female-run businesses in post-socialist countries. However, the focus on easily-identifiable material and pragmatic constraints that persists in the scholarly literature published on this issue in Ukraine impedes the development of a critical discussion of the subtle manifestations of gender inequalities.

The situation is further exacerbated by the fact that the entire society and paradoxically, the women themselves, do not acknowledge the existing gender inequalities. According to Pavlychko,

Most [Ukrainian women] do not see themselves as objects of discrimination, most do not have independent ideas or voices and accept the stereotypes peddled by the mass media. (231)

Aside from a few scholars whose voices remain largely unheard and some newly established women's or-

ganizations, the gender dimension of current global and local restructuring rarely becomes an issue in academic and popular discourses in Ukraine. Zhurzhenko (2001) explains:

Today, in post-socialist society the new gender ideology finds support at the level of official political discourse since it contributes to the adaptation of women to the new socioeconomic situation and serves as one of the forms of their inclusion in the new market society. At the same time, it contributes to the emergence of new forms of gender inequality and social exclusion which are new to post-socialist societies. (41)

It seems to me that as long as the question of gender trends and developments is not raised in the public dialogue, all attempts to create the first wave of Ukrainian businesswomen will enjoy little success. To date, the actions of the Ukrainian state in which women have little political or economic power, was rather contradictory in regard to women's economic activities. Ironically, the claims of support of female entrepreneurship are undermined by support for the importance of women's return to the families and to their traditional roles as mothers and wives. McMahan suggests,

Frequently male politicians, looking for an easy solution to cutting back the workforce, heralded a new era of women's liberation—one that would free them from their jobs and return them to the home with their children. (63)

Women's marginal status in the economy and the feminization of unemployment and poverty in Ukraine are not mentioned in these conversations. More importantly, no attempts have been made to analyze the local conditions of Ukrainian

women in shuttle trade in relation to the broader trends and patterns of economic discrimination of women globally. Insofar as the image of a businesswoman borrowed from western sources prevails in academic and popular discourses in Ukraine, the goal of creating and nurturing the local cadre of Ukrainian businesswomen who would operate on national and international markets would be unattainable. The newly-formed state and the emerging civil society in Ukraine should demonstrate willingness to acknowledge and address the gendered ramifications of transition/globalization and the new gender hierarchies produced by the local and the global dialectics. The biographies and narratives of Ukrainian female *chelnoks* will, until then, be but a caricature of women's participation in the global economy.

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