

# Journal of Rural and Community Development

## Russia's Long-Distance Commuters in the Oil and Gas Industry: Social Mobility and Current Developments - an Ethnographic Perspective from the Republic of Bashkortostan

**Author:** Elisabeth Öfner

**Citation:**

Öfner, E. (2014). Russia's long-distance commuters in the oil and gas industry: Social mobility and current developments – an ethnographic perspective from the Republic of Bashkortostan. *Journal of Rural and Community Development*, 9(1), 41-56.



**BRANDON  
UNIVERSITY**  
Founded 1899

**Publisher:**

Rural Development Institute, Brandon University.

**Editor:**

Dr. Doug Ramsey



**Open Access Policy:**

This journal provides open access to all of its content on the principle that making research freely available to the public supports a greater global exchange of knowledge. Such access is associated with increased readership and increased citation of an author's work.

# **Russia's Long-Distance Commuters in the Oil and Gas Industry: Social Mobility and Current Developments - an Ethnographic Perspective from the Republic of Bashkortostan**

**Elisabeth Öfner**

Department of Geography and Regional Research  
University of Vienna  
Vienna, Austria

[Elisabeth.oeffner@univie.ac.at](mailto:Elisabeth.oeffner@univie.ac.at); [Elisabeth.oeffner@servus.at](mailto:Elisabeth.oeffner@servus.at)

## **Abstract**

Long-distance commuting (LDC) to the oil and gas fields in the Russian north has become a visible social development in today's Russia. This sector provides people in rural communities with employment, high salaries, and the opportunity to increase their social mobility. In the Republic of Bashkortostan, both oil extraction, as well as LDC to Western Siberia, have a long tradition. A recent development, however, is that increasing numbers of people from rural villages without such ties to oil extraction are now entering the oil and gas sector.

This article provides examples of why these people are commuting and what is behind this turn of events. Besides economics, both local developments as well as developments within the oil and gas sector (the most thriving industrial sector in Russia) are contributing factors. People from rural regions see employment in this wealthy sector as a chance to better themselves. Even though some working conditions have been condemned as inhumane, the sector is able to provide a wide variety of employment possibilities. The oil and gas sector is seen as the most stable and most profitable sector in Russia from a local perspective.

Keywords: LDC, oil and gas industry, rural Russia, Republic of Bashkortostan, social mobility

---

## **1.0 Introduction**

Danis, a man in his early thirties, had a turbulent life. He grew up in a village in the eastern part of the Republic of Bashkortostan (Russian Federation), which has been economically challenged since the local mining industry collapsed after the dissolution of the Soviet Union. He studied law, but could not find satisfactory employment within that profession. Therefore, he started work as a long-distance commute worker in the Western Siberian oil and gas construction sector. After marriage he quit LDC work and took up three local job positions instead. It was an attempt to survive somehow, he told me insistently. However, the situation was not satisfying for him. Consequently, he decided to go back to the North. As a commuting blue-collar worker, Danis intends to continue for some years, save money, and set up a family life locally. His biography gives us some idea of how a person from a rural Russian region may search for opportunities to make a decent living and the consequent attraction of the North, where the huge oil and gas fields are located. New construction and pipeline projects demand a considerable labor force.

The opportunity to command a higher salary than that which is possible locally is the reason that mainly attracts people from rural regions to work on the basis of LDC in Western Siberia. They were, are or will be working as white-collar workers (geologists, engineers) or blue-collar workers (drivers, assembly-workers) on an LDC basis. Salaries as well as working conditions vary greatly. LDC workers commute on shifts to the current oil and gas fields, primarily in Khanty-Mansy Autonomous District and Yamal-Nenets Autonomous District, both located in Western Siberia (Eilmsteiner-Saxinger, 2013a, p. 11ff). This system of mobile work, called *vakhtovyy metod*, was introduced in the late 1970s. The purpose was to lower costs for extracting natural resources in the sparsely populated North (Aleshkevich, 2010; Gustafson, 1989, p. 92). In the late 1970s and 1980s employment in this sector was not as popular as it is today. In the last few years the mobile workforce has been growing steadily (Martynov & Moskalenko, 2008, p.173f; Bykov, 2011, p. 50f). The number of LDC workers in oil and gas companies varies between 31.1 percent (12,154 people) in *Lukoil Zapadnaya Sibir'* and 100 percent (15,874 people) in *Gazprom Dobycha Yamburg* (Martynov & Moskalenko, 2008, p. 176). More up-to-date figures are not yet available (Eilmsteiner-Saxinger, 2011, p. 54). The frequent to-ing and fro-ing of these workers commuting by train across Russia and on public transport through the Republic of Bashkortostan has increased the visibility of this lifestyle: it is impossible to avoid coming across LDC workers when travelling.

Since the dissolution of the Soviet Union, the main driving force behind Russia's economy has been coming from oil and gas revenues. In 2011, 52 percent of Russia's export revenues came from oil exports, and 12 percent from gas exports. Taxes from the oil and gas industry grew to a proportion of 49 percent of national taxes by the same year (Gustafson, 2012, p. 4f). New off-shore extraction projects have been developing: new fields are being examined in the Barents and Kara seas (Gustafson, 2012; Moe & Wilson Rowe, 2009; Sirina, 2009) and new pipeline streams are currently being constructed. White-collar workers are in demand and the construction sector needs a workforce for a certain period of time.

The Republic of Bashkortostan is located in the southern part of the Ural Mountains and has a rich history in oil extraction, oil refinery and mining. However, there has been a new development in that people from rural villages without this oil extraction legacy have come to see their future in employment in this sector, seen as the most stable job opportunity. Consequently, a long-term strategy to gain social mobility for oneself and one's offspring would be to break into the industry. However, not everybody living in a rural community intends to commute. In some cases the salary is only sufficient to fund the purchase of quality consumer products and the renovation of the house. For some, like Danis, it provides hope to fulfil the intention to settle down where they were born and start a family. For others, it is difficult to reintegrate into the village community after spending so much time in a very different environment. Some LDC workers feel as though they are living in a prison during shift periods. In one village, several LDC workers committed suicide in the late 1990s. Other commute workers miss the North, their work and their colleagues during their recreation time at home. Over and over again the answer to my question of why they commute was that they need money to feed and clothe themselves. Once a commuter insisted that I understand that once you have the possibility to buy a *NIKE* t-shirt, you then prefer this to a locally produced one. These impressions from fieldwork show that LDC work is a very complex issue. I was driven by the question why more and more people are leaving the rural areas of the Republic of Bashkortostan for the Russian North to work in the oil and gas industry and its adjacent sectors on the basis of LDC. What is behind this social

phenomenon? This article focuses on the perspectives of the oil and gas workers and their families whom I met during fieldwork in 2011 and 2012 in the Republic of Bashkortostan.

The article starts with an overview of the Republic of Bashkortostan and the evolution of the LDC system, and is followed by a basic theoretical introduction to the concept of social mobility. The following section describes the methodology I use. The three main parts contain examples of upward mobility, a paragraph about working conditions as well as perspectives. To conclude, I emphasize the significance of the oil and gas industry for people in rural regions.

## 2.0 Case Study

### 2.1 The Republic of Bashkortostan and the Introduction of LDC

The Republic of Bashkortostan is located in the southern part of the Ural Mountains. Its economy is heavily dependent on the extraction and subsequent processing of raw materials. In the eastern part of the Republic, in the Ural Mountains, noble metals (e.g., gold), sulphur, uranium, and iron have been extracted for centuries (Usmanov, 1997, p. 277f; Akhmetova, 2001, p. 31ff). The western parts of the territory have long been important for oil extraction and also, to a lesser extent, gas extraction. The oil region had its boom period starting in the 1920s (after the Civil War) until late 1967 (Stöbel, 1995, p. 87). At the same time, oil refineries were established together with other companies which supplied the oil and gas industry with facilities. Local inhabitants became experts in oil drilling and refinery (Usmanov, 1997). After the Second World War, educational institutions, like the State Petroleum University (UGNTU) in the capital city Ufa, were founded to fulfil the oil industry's growing demand for professional and skilled workers. Employment in this sector was not as prestigious as today. Prior to the industry which arose surrounding the extraction of these fossil fuels, agriculture comprised a significant economic sector. During the Soviet era, several villages represented an agricultural unit and its inhabitants were employed in the local state-owned agricultural enterprise (*sovkhos*). These agricultural institutions were privatised after the dissolution of the Soviet Union and some of them still exist as private farms, whereas others collapsed in the 1990s. For rural households, subsistence agriculture continues to be an important complement to paid employment (Clarke et al, 2000). In the eastern part of the Republic of Bashkortostan, mining still plays a large role, though not on a scale comparable to the importance it used to have for employment in the region. Therefore, this region must still face social and economic challenges (Barlybaev et al., 2009).

The Republic of Bashkortostan developed links with Western Siberia through the participation of its people in the extraction of natural resources. In the 1970s, Western Siberian oil fields superseded the old oil region of Bashkortostan (*Bashkir ASSR*). Due to a lack of local manpower, a new workforce was either relocated to the North or was flown in, necessitating the building of towns in these remote areas (Gustafson, 1989; Nuykina, 2011). The majority of these workers came from the Bashkir ASSR (Gustafson, 1989, p. 92; Stöbel, 1995, p.88). LDC work (*vakhtovyy metod* in Russian) became more systematised and standardised (Aleshkevich, 2010), and today it is widely used for work in Russia's remote regions. Through relocation and the introduction of LDC, a very tight social network has been established between those who left the Republic of Bashkortostan, and those who still live there or commute between the regions. Particular significance is attached to contacts among the extended family and contacts based on age, gender or profession. Links among the extended family

are very close and can be described as bonding social contacts (Granovetter, 2011b). Linkages among co-workers are more likely to be weaker ties.

The oil and gas sector lent Russia's economy tremendous impetus following the dissolution of the Soviet Union. Gustafson (2012, p. 6) highlights the fact that prior to this event, oil resources had not comprised a major economic sector. The oil and gas sector acquired its significance through the implosion of the industrial sector. After a decline in oil production in the early 1990s, production increased and stabilised during the first decade of the 21st century. By 2011, half of export revenues were down to oil exports. The global financial crisis which began in 2008 has proven that this sector is not invulnerable. Destabilisation of the oil sector has consequences for the whole country's economic situation. This dependency on oil revenues has been remarked upon in Russian politics, too. Russia still has huge oil and gas reserves, but a high percentage of these are not easily accessible (Gustafson, 2012; Moe & Kryukov, 2010, p. 312f). Furthermore, Moe & Kryukov (2010, p. 313) make clear that the process from the discovery of oil and gas resources to production can often take more than 15 years.

## ***2.2 Social Mobility and Financial Capital***

Various forms of capital can foster the upward or downward social mobility of a single person as well as a community. Research into types of capital has a long tradition in social science including work by Bourdieu (1983; 2011), Coleman (1988), and Bebbington and Perrault (1999). Cultural capital is the lens through which people perceive the world, and it is passed on by the family and social institutions (Flora & Flora, 2008: p. 18). Cultural capital can partly be accumulated through educational institutions. Bourdieu (1983) defines it as educational capital. Social networks and contacts create social capital (Putnam & Goss, 2002). Further, I focus on financial capital. In the context of salaries from LDC work, we are dealing with private financial capital. Financial capital is defined by Flora and Flora (2008, p. 174) as a means which can be reinvested or transformed. Hence, money which is spent on daily subsistence is not seen as financial capital, whereas money invested into education is. The latter example shows that financial capital can be transformed into other capital types, namely educational capital, social capital, and cultural capital (Bebbington & Perreault, 1999; Bourdieu, 1983; Flora & Flora, 2008, p. 18, 174f).

How can we understand social mobility in today's Russian society? Social mobility, a basic concept in sociology with a long scientific tradition, is defined as the up- and downward movement between social classes (Holmwood, 2006). Social classes are not static, they are in a state of constant flux. The process of social mobility is operating in general within an unstable framework (Bertaux & Thompson, 1997, p. 1). In Russia, groups and classes (a former political category) along with their norms have changed dramatically in the last 30 years. Salmenniemi (2012, p. 3) points out that today's Russian society is characterised by the movement "... from the Soviet logic of social differentiation to the logic of global neoliberal consumer capitalism within a very short period of time." Financial capital was not a central structuring principle in the Soviet past. Income differentiation was low and Salmenniemi (2012, p. 5) concludes: "Instead of economic capital, class divisions and distinctions were primarily drawn by mobilising social, political and cultural capitals." In contemporary Russian society, political capital, cultural capital, and social capital are still important, although financial capital plays a crucial role in accessing those (Ledeneva, 1998; Salmenniemi, 2012).

### **3.0 Methodology**

This article is based on five months of qualitative field research, carried out in 2011 and 2012 in the Republic of Bashkortostan (Russian Federation). The collected data consist of semi-structured interviews, informal talks, observations, and my field diaries. My interview partners were: (1) students from the Ufa State Petroleum University growing up in LDC families (15 interviews); (2) LDC workers from rural communities (10 semi-structured interviews and informal talks); and (3) employees from the local administration (three from the district administration, two from the local village administration). In order to understand the rural background of my interview partners at the UGNTU and to become better connected with LDC workers and their families, I travelled to small rural communities. The smallest hamlet [*derevnya*] had 400 inhabitants with two LDC workers while the largest community [*poselok*] had about 3000 inhabitants with an officially unknown number of LDC workers. All the communities I visited are located in the eastern part of the Republic of Bashkortostan. The communities have an agricultural and/or a mining background. Since these sectors destabilized in the 1990s, more and more people have been trying to find employment in the oil and gas sector. I took part in the routines and events of their daily lives. To give an example, I was working with a commuter and his parents, helping with the day's chores, celebrated their traditional festivals with them, and tagged along on a nightly car journey picking up the commuting son from a faraway train station. I became a local commuter myself, commuting weekly between Ufa and the villages. Commuting in these busses and cars I came into contact with LDC workers and shared similar experiences with them. These activities provided me with opportunities to listen, observe, and experience their daily routine with them.

The interview partners were aged between 18 and 60 years. LDC workers are not a homogenous group; some of them can look back on a long working period in the oil and gas business and were part of the first generation "the pioneers", who constructed the northern cities and the oil and gas sites, they grew up in the Soviet Union. The next generation, the students, were born in post-Soviet Russia. Some LDC workers in their 30s and 40s had a higher university degree, and have worked in different professions and companies.

This research is based on an abductive research strategy (Blaikie, 2009: p. 89). In the interviews and informal talks, the starting point was work and the system of LDC. During the passage of the interviews I consciously followed the topics raised by the interviewees. This allowed me to become aware of aspects that are important for the people under study. Observations and informal talks were noted down in field diaries. Then, analytical categories were derived, such as unemployment, money to feed the family, or the significance of education (Emerson et al., 1995, p. 143). Going back and forth between new insights from the field and literature, focusing closely on individual actions, and then connecting these with broader social developments, I was able to identify associations between these topics (Hastrup, 2004).

### **4.0 Findings**

#### **4.1 Upward Mobility**

The opportunity to earn a higher salary is what attracts people in local communities to finding employment in the oil and gas sector, consequently they have the opportunity to increase their social mobility. According to personal records, commuting blue-collar workers earn between 10,000 and 90,000 rubles

(US\$330 – 3000) per month. Incomes vary greatly between the professions and the companies (Eilmsteiner-Saxinger, 2011). The average monthly income in the Ural-region was 6,653.80 rubles (US\$219) in 2006 (Allayarova et al., 2009, p. 92). Moreover, during the shift money can be saved if accommodation, food, and travel costs are paid by the company (McKenzie, 2011). Some LDC workers also work during their recreation time at home, e.g., as drivers or temporary workers in the construction sector. In this section, I will elaborate on the topic in more detail and give concrete examples of social mobility.

The first aspect is that the higher income is utilized to obtain financial capital by, for example, becoming better equipped with valuable tools, finding or renovating a house, and securing better career prospects. Danis, the commuter I mentioned at the very beginning, intended to work in a mine, which was supposed to have opened recently. Optimistic about his future, he started to build his own house close to the mine. However, the mine has not yet opened and it is not clear if it ever will. Danis was forced to consider other employment options and returned to the job he had before - working on different construction sites in Khanty-Mansy Autonomous District on the basis of LDC. After some shifts he was soon able to afford a car and a plot of land for a new house. The land is much closer to a municipality than the place where he intended to live before. Furthermore, a pipeline stream is located close by, supplying the refineries in Ufa, the Republic of Bashkortostan's capital city, with oil from Western Siberia and supplying the cities in the North with oil products. Therefore, this location gives him several, more stable possibilities for future regional employment. With his income from shift-work he is able to move and afford the basics for his future goals, and to provide for his future family. His investment choices are well accepted by the local community and his intended future is seen as a respectable life. Danis has therefore also gained cultural capital, which is determined by the understanding of society and the way of being (Flora & Flora, 2008, p. 53ff).

In order to set up a well-respected life and start a family, young people either need a high income on their own or financial support from their parents. Bank loans are readily available; however the interest rates are about 12 percent for a house and between 25 and 30 percent for consumer products (UfaFinans.ru, 2013a, 2013b, 2013c). Young people generally intend to acquire a house and have a family in their twenties and early thirties. Consequently, young families are immediately confronted with considerable costs, e.g., for a flat and mobility.

The second aspect is the possibility of increasing social mobility through education. Azamat worked as a farmer in a rural village and ran a grocery store there until 2000. After ten years of struggling to do well, he and his wife made the decision to change their situation:

There was no profit. Farming is indeed a risky activity. Just once I had a harvest. The rest of the years I worked on credit. [...] Then our children grew up, and my wife said that the children should study. They should not suffer like us.

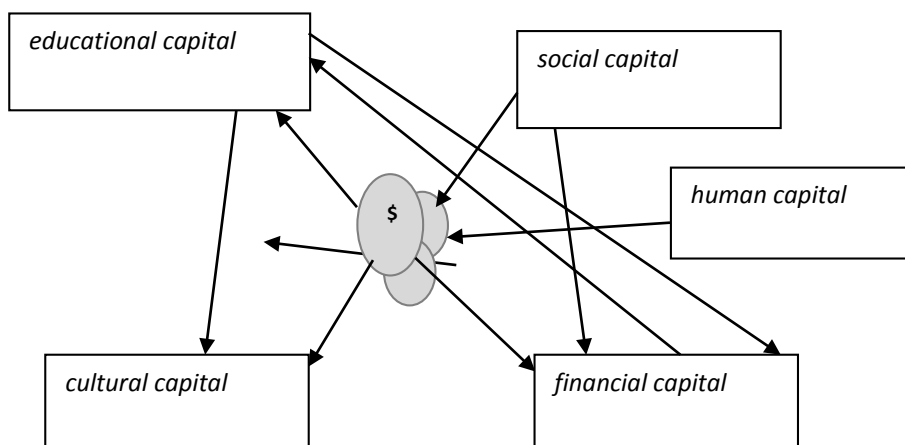
Azamat and his wife were looking for a way to gain a secure income. The final argument for their decision was their desire to give their son the opportunity to study at a well-known university: “[...] we want him to go to the oil university [UGNTU]. Then he'll have his foot in the door of the oil industry.” With a degree from a well-respected university, one's cultural capital increases. To gain access to educational institutions, money is in most cases a prerequisite. Il'gam, the student who has already entered the highly prestigious petroleum university (UGNTU), articulates this point precisely:

My father needs some kind of financial resources so I can study, so I can get an education. Money is needed not only for a child to go to university; he needs something to eat too! You need money for food, for the student residence, for everything. That's why my father went to the North, where they pay him more money.

The education system is a sector where no essential reforms or investments have been implemented by the state since the 1990s. Therefore, universities are dependent on financial support from the federal state, student fees and other types of revenue. To study at the UGNTU, currently the most prestigious university in the Republic of Bashkortostan, students can study for free (through a national grant) if they can pass an exam. Another opportunity, which is being widely used, is to pay the annual fee (Eilmsteiner-Saxinger, 2004, p. 62f; Füllsack, 2002). Depending on the faculties at the UGNTU, the costs come to an annual amount of around 100,000 rubles (US\$ 3,314.40) (UGNTU, 2013). To conclude, employment (LDC work) in the oil and gas industry makes an investment in the education of one's offspring possible. Parents invest their financial capital into the education of their offspring in the hope of upward mobility (Bourdieu, 1983; Emery & Flora, 2006).

Educational capital can be transformed into financial capital. The key issue is that the right education is chosen so that a transformation is subsequently possible. Dmitrieva (1996) points out that higher education is not seen as a prerequisite for a well-paid job position. However, according to data from the UGNTU (2011), at least 92 percent of students were employed after their successful graduation between 2005 and 2011. Furthermore, for each graduate the University receives three or four job offers from well-respected companies like Lukoyl, Rosneft', TNK-BP, Transneft', Uralo-Sibirskiye magistral'nye truboporvody, Bashneft' or Gazprom. The statistics also indicate that companies are in competition to attract graduates; a result of the shortage of specialists in the oil and gas industry (Martynov & Moskalenko, 2008, p. 172ff). To sum up, a degree from a prestigious university, such as the UGNTU, is an entry card to employment with economic perspectives.

Figure 1: Flows between Various Sorts of Capital and LDC Workers' Salaries.



Source: Author.



## 4.2 Working Conditions and Perspectives

Today's LDC workers are employed as blue-collar or white-collar workers under various conditions with advantages and disadvantages. This disparity has grown over the last couple of years (Eilmsteiner-Saxinger, 2013b). The perspective of the first generation as well as of the recent LDC workers reveals this development.

Firstly, let us consider the experiences of Salavat, a retired geologist, who can give us an impression of the conditions of LDC shortly after it was introduced at the end of the 1970s. He received his degree from a local Bashkirian oil and gas technical institute as well as from the Gubkin Russian State University for Oil and Gas in Moscow. In the 1980s he started working as an LDC worker for a drilling company for exploration: "All drilling companies got the order to go to the North. So consequently, I left. But I didn't leave all by myself, I moved with my friends to the North." His colleagues were not only his friends, they were of the same age and many of them hailed from the same region (the western part of the Republic of Bashkortostan) as Salavat. He flew back and forth between Ufa and the oilfield next to Noyabr'sk in Khanty-Mansy Autonomous District every month. The housing conditions in containers were not satisfactory, but were compensated by the high salary. He was paid 250 percent of the usual salary for geologists because of all the additional payments he was entitled to receive.

Salavat grew up in the western part of the Republic of Bashkortostan where oil drilling had been undertaken since the early 1920s. He became a skilled professional and as companies moved from Bashkir ASSR to Western Siberia, the workers were either brought along, or put through the system of the Soviet youth organisation (*Komsomol'skaya putevka*). This working collective was a tight-knit social community of people of the same age. They shared their life experiences, and had a very similar social background (Ashwin, 1999). LDC workers, spending at least part of their time in the Far North, consequently received higher salaries. They received extra payments for their work in the North, such as the northern supplement (*severnaya nadbavka*) (Nuykina, 2011, p. 30). They had access to social services and products which were not available to the same extent in other regions of the Soviet Union. After the dissolution of the Soviet Union, as the economy collapsed, the oil industry was also affected. Salavat's wages were still paid, albeit with some delay, which was not the case for other oil and gas workers (Gustafson, 2012, p. 60). Hence, it was a logical step for him to become an LDC worker since he was incentivised by the state with economic benefits during the Soviet Union. It turned out that this employment gave him access to many benefits throughout the 1990s and allowed him an upward social movement.

Secondly, let us examine the phenomenon of "wild commuting" (*dykaya vakhta*), which appeared in the 1990s (Eilmsteiner-Saxinger, 2013a, p. 99ff). A female resident of a rural village called Gubayda, remembers this time very well and compares it to the situation after the Second World War. Men left for the North, in search of a decent salary. Only women and children stayed behind. Gubayda's neighbour sold her last cow, so that her husband could afford a train ticket back home. Several people from the neighbouring village did not come back alive from the North, either due to fatal accidents in the workplace or because they committed suicide as they could not see any future for themselves. Rais, an LDC worker from a small village of 400 inhabitants in rural Bashkortostan, also tried his luck working in the North in the early 1990s. He was paid unfairly by a company at first, but he tried it again. Finally, he found employment through a contact and has been commuting since then. These disastrous conditions have to be seen within the greater context of transition,

economic crisis, unemployment, and the restructuring of the oil and gas sector in the 1990s.

The term wild commuting is used to denote commute work without guaranteed standards in terms of accommodation, transportation, and payments (Bykov, 2011, p. 95). As local enterprises like state-owned agricultural enterprises (*sovkhoz*) went bankrupt or were repossessed, the oil and gas industry performed better. Until 1996 there was a decline in production, but soon afterwards the production of oil and gas showed an upturn (Gustafson, 2012). People who had not actually been trained as specialists for the oil and gas industry tried to find employment and made their way to the northern oil and gas cities out of their own pocket and at their own risk. Those who had a high social capital, including bridging and/or bonding social contacts were able to succeed (Granovetter, 2011b).

Thirdly, I shall give two examples of how two blue-collar LDC workers are dealing with the current situation in the oil and gas sector, which is presenting them with a variety of job offers, which have, however, a range of working conditions attached. Azamat, an ex-farmer, has worked for several companies in different positions:

First, I worked as security, like a watchman in an organisation. I slowly made my way through, became a driver of a pipe-laying crane. I worked for a year there and then I went to Novyy Urengoy. [...] A fellow townsman was with me. It turned out that he was from the same state-owned agricultural enterprise as me. He asked me to join him and said: Let's go and find work! It is said that there they use new technology machines and they need specialists. [...] I arrived there on December 2<sup>nd</sup> but they did not need specialists with my profile. [...] They invited us. But finally I mentioned that I had another profession, motorman. And they needed motormen. I stayed as a motorman, because I had no desire to go home.

This section outlines how human capital, i.e., Azamat's working experience as a motorman at the state-owned enterprise during Soviet times, helps to find employment in the North. He also moved to Western Siberia for two years and now commutes between there and his home village.

The assembly-worker Danis has also worked for different companies in Western Siberia. He complains about the working conditions in subcompanies. He was misled by his employers and has to put up with substandard working conditions such as four LDC workers having to live side by side in one container. They also have to buy food and prepare their own meals despite working twelve-hour shifts. Furthermore, grocery shops or other community facilities are not close nearby. His shifts are irregular and after the project is completed he does not know whether the company will hire him again or where the new job might be. These conditions are not compensated by a higher salary as was the case for Salavat. Danis has to pay for the journey to and from his home region on his own. Therefore he is constantly on the lookout for opportunities to work under better conditions and receive a higher salary. He explains his two options: First, he could try to get a degree in oil and gas engineering to attain a white-collar position. Although Danis already has a university degree, his field of expertise has not been in demand since the late 1990s and the proffered salaries were too low for him to support a family. Second, he could use his social contacts to gain employment in those companies which are known to have decent working conditions.

These two examples serve to highlight the disparity of working conditions. White-collar workers are in great demand in the labour market. Since employment in the oil and gas sector has become so attractive, several new institutes and schools have emerged to meet the demand for specialists. In contrast, Soviet oilfields were run paternalistically by “oil generals” who felt “responsible not just for their workers’ performance, but also for their housing, their light and water, and indeed for their entire lives.” (Gustafson, 2012, p.13) Today’s companies are more driven by neoliberal concerns regarding profit-making, outsourcing and flexibility. Consequently, a system of sub- or even sub-subcompanies developed (Eilmsteiner-Saxinger 2013a, p.102). Furthermore, the technology for drilling and construction improved and environmental standards have been implemented, an experienced commuter explained. When this commuter started in the 1980s it was a dirty job but since then the overall conditions have changed.

To sum up, the working conditions with their attendant advantages, disadvantages and opportunities for advancement are crucial for people’s social mobility (Alridge, 2001, p. 2). During the 1990s a wide range of working conditions in the oil and gas sector developed. Wild commuting was a phenomenon of the early 1990s, however, some features never disappeared. The example of Gubayda’s neighbour given above, demonstrates that not everybody was able to turn employment into upward social mobility. Eilmsteiner-Saxinger (2011, p. 62) notes “The widespread sub-contracting system and subsequent fragmentation of the labour market has also frequently led to the bypassing of labour rights.” Additionally, capitalistic values like rationalising were implemented in some of these companies. For the commuters, this means their shifts are becoming ever more irregular, they are hired for projects without knowing whether they will be taken on again; they have to take over the responsibility of paying to travel to work, as well as pay for their own food. Workers in subcompanies are constantly transitioning between these companies, resulting in a regular change of co-workers. This environment supports weak ties among co-workers (Granovetter, 2011a). Tickamyer and Duncan (1990, p. 80) point out that on the one hand the insecure working conditions are inherent in the extractive industry: “...these industries tend to be highly volatile, leading to great instability in employment even though jobs may command high pay when they exist.” On the other hand, the oil and gas industry in Western Siberia and those described above can provide a lot of job opportunities for qualified and low-qualified people, mostly males. It’s an alternative to local unemployment or low wage employment. Hence, some workers and their families have to deal with insecurities and irregularities in employment, i.e., with highly volatile fluctuations in monthly income.

### ***4.3 The Significance of the Oil and Gas Industry for People in Rural Regions***

Rais, the long-distance commuter, told me firmly that there is no work for him locally. In the 1990s he tried to earn a living from agriculture as other villagers had been doing, but he and his wife did not succeed. Out of despair he went to the oil cities in Western Siberia, and after a few attempts he found work as a blue-collar LDC worker. While his income is required to meet his family’s basic needs, over the years he has been able to save enough for the renovation of his house, an investment not everybody in the village could afford. Even if they wanted to move to the next city, thus increasing their social mobility, they would not be able to afford it. He passed on his working experiences to his son, who is also commuting now. His son is still living in the village, although other LDC workers of the same age are building their house in the district’s capital. Rais’

income helped him and his family to afford valuable consumer products, thus less money was left to effect upward mobility.

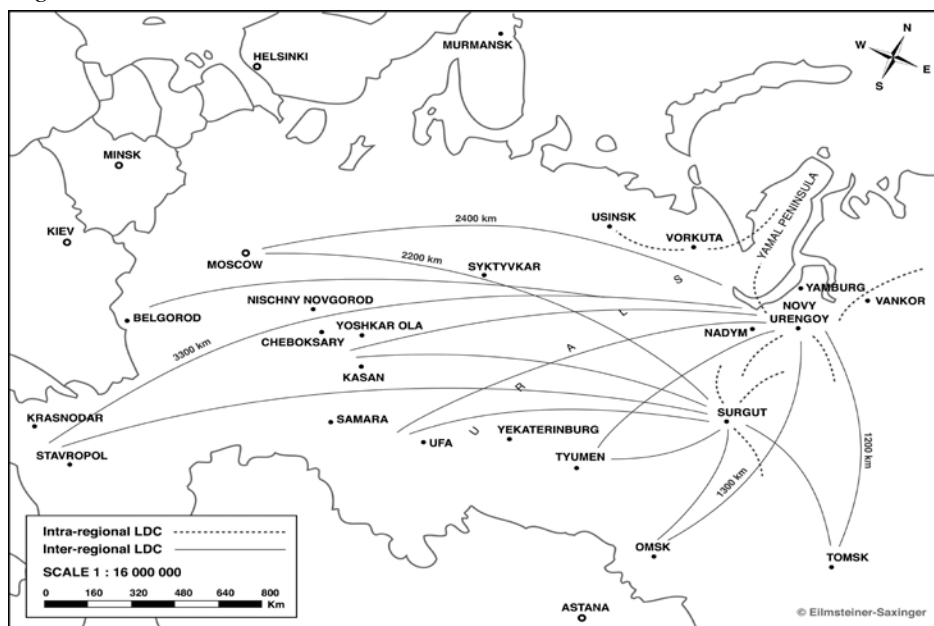
Still, in rural regions structural problems are present. In the rural region where I carried out fieldwork, it is difficult for people to earn a sufficient income on a regular basis. The region around Ufa is doing better economically (Akhmetov, 2011; Allayarova et al., 2009, p. 92). The higher flow of money might support the local economy, in particular the consumer and construction sectors. However, there is no clear evidence to what extent and for how long the local economy will be supported.

Employment in the Northern oil and gas industry does not only provide people from the “old oil regions” with work. Azamat describes the origin of current workers:

[...] You asked me about migration, where do people come from to work in the North. I can tell you. For example from the Far East, from the eastern direction – Krasnoyarsk Territory – [from there people] are in [Novyy] Urengoy; from Omsk and Tyumen Regions – because further from Tyumen' no well paid jobs are available. Then from the Volgograd and Astrakhan Regions, Stavropol and Krasnodar Territories, Kabardino-Balkar Republic, Chechen Republic, Saratov Region, Udmurt Republic and Penza Region all go to the North. [...] The numbers of people from these regions are low in comparison with the Republics of Tatarstan and Bashkortostan. [...] I feel there [in the North] like a Bashkir. I often use my language, more than Russian or another language. Furthermore, from my own town, two thirds of the people are working in the North.

There are no exact numbers available for the number of people that are employed in LDC work in the Northern oil and gas industry. That is why they are not officially registered as one group. The map shows the main commuting routes to the hubs in Western Siberia.

Figure 2. Routes of LDC Workers in the Russian Federation.



Source: Author.

The interviews have shown that the number grew at the beginning of the 21<sup>st</sup> century and again in 2007. It is not rare for interviewees to assert that half of the inhabitants in a town are LDC workers. LDC became a more popular form of work and employment, first in rural regions and second in regions which traditionally have not had strong connections to the North. The oil and gas sector is seen as stable and profitable. Il'gam, the student from the UGNTU is clear on that point:

Because there is a belief that our Petroleum University [UGNTU] is valued in all respects since oil and gas have been valued from the earliest times. In other words, it has weight in the world, as it does here in Bashkortostan. That's why many people try to study here and in other prestigious Institutes, like UGNTU, in order to find a good and well-paid job after graduation.

Russia derives its highest revenues from the oil and gas sector. Its economy is highly dependent on the revenues from export businesses. Gustafson (2012, p. 1) states that there can be no growth and prosperity without this sector. He sees the future as rather unclear, because of new challenges such as the modernisation of this sector. Moe & Kryukov (2010) are pessimistic, too. However, from a local perspective, the sector represents a brighter future for themselves and for their families. As shown in this article the oil and gas sectors are seen as being the most stable.

In this part I elaborated upon the significance of LDC work on both a personal level and on a broader level. Employment in the northern oil and gas industry provides people, mostly males, with an income. Workers can stay in their communities; however, it is clear from the research that young people are eager to move, e.g., to the municipal center. On a personal level, this desire definitely triggers their social mobility.

## **5.0 Conclusions**

In conducting this research I wanted to discover why increasing numbers of people from rural regions are now commuting back and forth between the work camps in Western Siberia and their home villages in the eastern part of the Republic of Bashkortostan. Based on long-term fieldwork I came to the conclusion that the opportunity to work on the basis of LDC in the oil and gas sector is a long-term strategy for individuals as well as families.

First, this research showed that access to the oil and gas industry is the best strategy for such people to attain greater social mobility. With a certain amount of money, society's expectations can be satisfied, thus increasing cultural capital. The fact that families are investing in their children's education in this industry can be seen as supporting evidence for the notion that it is a long-term strategy. It is expected that graduates of oil and gas universities will be assured of gaining access to this wealthy sector. Interestingly, the number of students coming from rural regions and not from families with a long tradition in oil and gas employment is rising. Employment in the oil and gas industry, the backbone of Russia's economy, has become very well respected in society.

Second, the examples showed the stratification of working conditions and opportunities for employment. Whereas some commuters work under conditions which are arguably unfit for humans, others are satisfied with their work. The northern oil and gas extraction and construction industry provides a wide range of employment opportunities on the basis of LDC. Even those without appropriate qualifications for the oil and gas sector see a chance to obtain a better

income there. However, they are especially concerned by inadequate working conditions and the fact that they have to compete with other workers who want to enter this labour market. Due to historical legacies, people from the Republic of Bashkortostan have strong, long-term social connections to the oil and gas sector and thus, with this social capital, have easier access compared to inhabitants from other rural Russian regions. Furthermore, they also have a fair idea of what is expected in these jobs, the nature of conditions in the North and they can count on support and solidarity from their compatriots from the Republic.

Third, I demonstrated how important the oil and gas sector has become for rural residents in the Republic of Bashkortostan. In some instances, vast differences in income can foster inequality among the community, but on the other hand this may strengthen solidarity within the extended family. In other cases, the gap between LDC and local salaries is much smaller, but the former is still perceived as well-paid in comparison. Inclusion into this wealthy sector is not only essential for my respondents in the Republic of Bashkortostan, it is also acquiring more significance in other regions of Russia. Employment in the oil and gas industry raises the hopes of people in rural regions to become part of this more affluent world and live a respectable life. They are better able to meet social expectations and provide their offspring with acceptable conditions for a better future. These social developments are observed particularly in rural regions which are historically not connected with oil exploration.

I wish to conclude with two ideas for further research. First, it would be interesting to explore the reasons that some people have not yet chosen to embark on a commuter life. I realized that in one hamlet people cannot imagine working in the North on the basis of LDC, due to the assumption that they have little idea about employment conditions there, and little idea about the North. Other reasons include not wanting to leave the village or their (extended) family. What strategies do non-commuters have to gain social mobility therefore? Second, commute work is strongly associated with social expectations of men, their fortitude and daring, and their position as breadwinner in the family. Further investigation into these areas would be fascinating.

## Acknowledgments

This research was done in the framework of the FWF funded project 'Lives on the Move' [P22066]. Additionally, it was financed by a *Forschungsstipendium* from the University of Vienna. I thank my colleagues Gertrude Eilmsteiner-Saxinger and Elena Nuykina for their support during the whole process and Hannah Gurr for proof-reading the text. I would also like to thank Prof. Peter Schweitzer and the anonymous reviewers for their helpful comments and additional literature. Finally, I must greatly thank the people in the villages for their help and frankness in letting me live with them and sharing their life with me!

## References

- Akhmetov, V. Ya. (2011). Vazhneyshie otrasli-drayvery razvitiya ekonomiki bashkirkского zaural'ya. In V. Ya. Akhmetov, A. A. Barlybaev, T. S. Grin'ko, I. M. Rakhmatullin, N. Kh. Fatkhullina and G. I. Yakshimbetova (Eds.), *Upravlenie sotsial'no-ekonomicheskim razvitiem regiona: II Vserossiyskoy nauchno-prakticheskoy konferentsii* (pp. 13–22). Sibay, Russian Federation: GUP RB "SGT".
- Akhmetova, G. F. (2001). *Bashkirkская zhenshchina i sovremennyy gorod: konflikt ili garmoniya?* Ufa, Russia: Redaktsionno-izdatel'skiy otdel

Respublikanskogo uchebno-nauchnogo metodicheskogo tsentra Goskonnauki Respubliki Bashkortostan.

- Aleshkevich, E. S. (2010). Implementation of policy decisions to develop the far north: History of the long-distance commute work. In F. Stammler & G. Eilmsteiner-Saxinger (Eds.), *Biography, Shift-labour and Socialisation in a Northern Industrial City – The Far North: Particularities of Labour and Human Socialisation. Proceedings of the International Conference in Novy Urengoy, Russia, December 4-6, 2008* (pp. 109–115), Rovaniemi, Vienna: Arctic Center Rovaniemi, U of Lapland, Department of Geography, U of Vienna.
- Allayarova, A. M., Akhmetova, M. S., Baymurzina, G. R., Barlybaev, Kh. A., Burkhanova, F. B., Valiakhmetov, R. M., et al. (2009). *Respublika Bashkortostan: Doklad o razvitiy chelovecheskogo potentsiala 2008*, Ufa, Russia: predstavitel'stvo programmy razvitiya OON v Rossiyskoy Federatsii, Akademiya nauk Respubliki Bashkortostan, Tsentr sotsial'nykh i politicheskikh issledovaniy.
- Aldridge, S. (2001). *Social Mobility: A discussion paper*. Performance and Innovation Unit. Retrieved October 15, 2013 from <http://kumlai.free.fr/RESEARCH/THESE/TEXTE/MOBILITY/mobility%20salariale/SOCIAL%20MOBILITY.pdf>
- Ashwin, S. (1999). Redefining the Collective: Russian Mineworkers in Transition. In M. Burawoy & K. Verdery (Eds.), *Uncertain transition: Ethnographies of Change in the postsocialist World* (pp. 245–271), Lanham, MD: Rowman & Littlefield.
- Barlybaev, A. A., Aidarbakov, F. F. & Rakhmatullin, I. M. (2009). Development of Agricultural Territories during the Post-Soviet Period: Institutional Aspect. *Studies on Russian Economic Development*, 20(5), 529–536.
- Bebbington, A. & Perreault, T. (1999). Social Capital, Development, and Access to Resources in Highland Ecuador. *Economic Geography*, 75(4), 395–418.
- Bertaux, D. & Thompson, P. (1997). Introduction. In D. Bertaux & P. Thompson (Eds.), *Pathways to Social Class: A qualitative Approach to Social Mobility* (pp. 1–31), Oxford, United Kingdom: Clarendon Press.
- Blaikie, N. W. H. (2009). *Designing Social Research: The Logic of Anticipation*. Cambridge, United Kingdom: Polity Press.
- Bourdieu, P. (1983). Ökonomisches Kapital, kulturelles Kapital, soziales Kapital. In R. Kreckel (Ed.), *Soziale Ungleichheiten* (pp. 183–198), Göttingen, Germany: Schwartz.
- Bourdieu, P. (2011). The Forms of Capital. In M. Granovetter & R. Swedberg (Eds.), *The Sociology of Economic Life* (pp. 78–92), Boulder, CO: Westview Press.
- Bykov, V. M. (2011). *Formirovanie konkurentosposobnogo personala v usloviyakh vakhtovogo metoda raboty (na primere neftegazovoy otrasli)*, Yaroslavl', Russia: Avers Plyus.
- Clarke, S., Varshavskaya, L., Alasheev, S. & Karelina, M. (2000). The Myth of the urban Peasant. *Work, Employment and Society*, 14(3), 481–499.
- Coleman, J. S. (1988). Social Capital in the Creation of Human Capital. *American Journal of Sociology*, 94, 95–120.

- Dmitrieva, E. (1996). Orientations, Re-orientations or Disorientations? Expectations of the future among Russian School-Leavers. In H. Pilkington (Ed.), *Gender, Generation and Identity in contemporary Russia* (pp. 75–91), London, United Kingdom: Routledge.
- Eilmsteiner-Saxinger, G. (2004). *Systeme von Ungleichheiten: Lebensplanung und Zukunftsperspektiven von Moskauer StudentInnen*. Unpublished master's Thesis, University of Vienna, Austria.
- Eilmsteiner-Saxinger, G. (2011). 'We feed the nation': Benefits and Challenges of Simultaneous Use of Resident and Long-distance Commuting Labour in Russia's Northern Hydrocarbon Industry. *Journal of Contemporary Issues in Business & Government*, 17(1), 53–67.
- Eilmsteiner-Saxinger, G. (2013a). Mobile Leben der FernpendlerInnen in der Erdgas- und Erdölindustrie im Norden Russlands. Unpublished doctoral Thesis, University of Vienna, Austria.
- Eilmsteiner-Saxinger, G. (2013b). Bodenschätze und Menschenschätze: Zur sozialen und materialen Dimension der fossilen Rohstoffe in Nordwest-Sibirien im Kontext des Fernpendelns. In S. Donecker, I. Eberhard & M. Hirnsperger (Eds.), *Wege zum Norden. Wiener Forschungen zu Arktis und Subarktis* (pp. 23–43), Vienna, Austria: LIT.
- Emerson, R. M., Fretz, R. I. & Shaw, L. L. (1995). *Writing Ethnographic Fieldnotes*. Chicago: University of Chicago Press.
- Emery, M. & Flora, C. (2006). Spiraling-up: Mapping Community Transformation with Community Capitals Framework. *Community Development*, 37(1), 19–35.
- Flora, C. B. & Flora, J. L. (2008). *Rural communities: Legacy and change*. Boulder, CO: Westview Press.
- Füllsack, M. (2002). Bildung als Konsumgut? Folgen der Entstaatlichung des Bildungswesens in Rußland. *Osteuropa Zeitschrift für Gegenwartsfragen des Ostens*, 52(1), 3–13.
- Granovetter, M. (2011a). Economic Action and Social Structure: The Problem of Embeddedness. In M. Granovetter & R. Swedberg (Eds.), *The Sociology of economic Life* (pp. 22–45), Boulder, CO: Westview Press.
- Granovetter, M. (2011b). The Impact of social Structure on Economic Outcomes. In M. Granovetter & R. Swedberg (Eds.), *The Sociology of economic Life* (pp. 46–61). Boulder, CO: Westview Press.
- Gustafson, T. (1989). *Crisis amid Plenty: The politics of Soviet Energy under Brezhnev and Gorbachev*. Princeton, NJ: Princeton University Press.
- Gustafson, T. (2012). *Wheel of Fortune: The Battle for Oil and Power in Russia*. Cambridge (MA), London, United Kingdom: Belknap of Harvard University Press.
- Hastrup, K. (2004). Getting it right: Knowledge and Evidence in Anthropology. *Anthropological Theory*, 4(4), 455–472.
- Holmwood, H. (2006). The Cambridge Dictionary of Sociology. In B. S. Turner (Ed.), *Dictionary of Sociology* (pp. 576–578), Cambridge, United Kingdom: Cambridge University Press.
- Ledeneva, A. V. (1998). *Russia's Economy of Favours: Blat, Networking and informal Exchange*. Cambridge, United Kingdom: Cambridge University Press.



- Martynov, V. G. & Moskalenko, A. A. (2008). *Kadrovaya politika kak instrument v sisteme sotsial'noy otvetstvennosti biznesa*. Moskva, Russia: MAKS Press.
- McKenzie, F. H. (2011). Fly-in fly-out: The Challenges of transient Populations in rural Landscapes. In G. W. Luck, R. Black, & D. Race (Eds.), *Demographic change in Australia's rural landscapes: Implications for society and the environment* ( pp. 353–374). London, United Kingdom: Springer.
- Moe, A. & Kryukov, V. (2010). Oil Exploration in Russia: Prospects for Reforming a crucial Sector. *Eurasian Geography and Economics*, 51(3), 312–329.
- Moe, A. & Wilson Rowe, E. (2009). Northern Offshore Oil and Gas Resources. In E. Wilson Rowe (Ed.), *Russia and the North* (pp. 107–128). Ottawa, Ontario, Canada: University of Ottawa Press.
- Nuykina, E. (2011). *Resettlement from the Russian north: An Analysis of state-induced relocation Policy*. Edited by F. Stammeler (Arctic Centre Reports No. 55). Rovaniemi, Finland: Arctic Centre, University of Lapland.
- Putnam, R. D. & Goss, K. A. (2002). Introduction. In R. D. Putnam (Ed.), *Democracies in flux: The Evolution of social Capital in contemporary Society* (pp. 3–19), New York, NY: Oxford University Press.
- Salmenniemi, S. (2012). Introduction: Rethinking Class in Russia. In S. Salmenniemi (Ed.), *Rethinking Class in Russia* (pp. 1–22). Farnham, United Kingdom: Ashgate.
- Sirina, A. A. (2009). Oil and gas Development in Russia and northern indigenous Peoples. In E. Wilson Rowe (Ed.), *Russia and the north* (pp. 187–202). Ottawa, Ontario, Canada: University of Ottawa Press.
- Stöbel, E. (1995). *Skizzen aus dem Alltag der Sowjetischen Planwirtschaft: autobiographische und andere Aufzeichnungen eines rußlanddeutschen Ökonomen aus Baschkirien*. Berlin, Germany: Freie Universität Berlin, Osteuropa-Institut.
- Tickamyer, A. R. & Duncan, C. M. (1990). Poverty and Opportunity Structure in rural America. *Annual Review of Sociology*, 16, 67–86.
- UfaFinans.ru. (2013a). *Avtokredit v Ufe, avto kredit v Ufe*. Retrieved on January 20, 2013 from <http://ufafinans.ru/index.php/2010-02-26-05-23-15?catid=3>
- UfaFinans.ru. (2013b). *Ipoteka v Ufe, banki Ufy ipoteka*. Retrieved on January 20, 2013 from <http://ufafinans.ru/index.php/2010-02-26-05-23-15?catid=6>
- UfaFinans.ru. (2013c). *Potrebitel'skie kredity v Ufe*. Retrieved on January 20, 2013 from <http://ufafinans.ru/index.php/2010-02-26-05-23-15?catid=5>
- UGNTU (2011). *Raspredelenie vpusknikov UGNTU 2005–2011. Otdela raspredeleniya vpusknikov*. [Internal documentation, UGNTU].
- UGNTU (2013). *Stoimost' obucheniya v 2012–2013 uchebnom godu: poluchenie scheta na oplatu*. Retrieved on January 02, 2013 from <http://www.rusoil.net/default.aspx?dit=9947&active=3267&link=22645>
- Usmanov, Kh. F. (Ed.) (1997). *Istoriya Bashkortostana s drevneyshikh vremen do 60-kh godov XIX v*. Ufa, Russia: KITAP.