Relations industrielles Industrial Relations



V. VENKATCHALAM, R.K. SINGH: *The Political, Economic and Labor Climate in India*. Philadelphia, The Wharton School Industrial Research Unit, University of Pennsylvania, 1982, 147 pp., ISBN 0-89546-030-0, ISSN 149-0818

Hem C. Jain

Volume 39, numéro 1, 1984

URI : https://id.erudit.org/iderudit/050020ar DOI : https://doi.org/10.7202/050020ar

Aller au sommaire du numéro

Éditeur(s)

Département des relations industrielles de l'Université Laval

ISSN

0034-379X (imprimé) 1703-8138 (numérique)

Découvrir la revue

Citer ce compte rendu

Jain, H. C. (1984). Compte rendu de [V. VENKATCHALAM, R.K. SINGH: *The Political, Economic and Labor Climate in India.* Philadelphia, The Wharton School Industrial Research Unit, University of Pennsylvania, 1982, 147 pp., ISBN 0-89546-030-0, ISSN 149-0818]. *Relations industrielles / Industrial Relations*, 39(1), 215–217. https://doi.org/10.7202/050020ar

Tous droits réservés © Département des relations industrielles de l'Université Laval, 1984

Ce document est protégé par la loi sur le droit d'auteur. L'utilisation des services d'Érudit (y compris la reproduction) est assujettie à sa politique d'utilisation que vous pouvez consulter en ligne.

https://apropos.erudit.org/fr/usagers/politique-dutilisation/



with nineteenth century Catholic ideas of corporation; a fascinating irony given the old antagonism between socialism and Catholicism" (Ibid., p. 207). Unions are likely to concede more to gain participation the more important the forum concerned (Ibid., p. 210).

This growing 'politicization' of unions makes them vulnerable to internal tensions as long as they are willing to sacrifice the immediate interests of their members, as well as the social causes, primarily the fate of unemployed, in order to secure for themselves a secure place within the 'establishment'. The shopfloor organizations have a vested interest to oppose corporatism, and under the present arrangement they become a major source of tension. "On several occasions union behaviour has implied that it is not worthwhile reaching deals with them since their arrangements will be upset by autonomous shopfloor action" (Ibid., p. 219).

Crouch emphasizes the disparity between the necessity of the trade union movement acting at the national and international level, and its decentralized and mass-participative level (Ibid., p. 217). However, he seems to underestimate the potential of modern trade unionism to reform itself in adaptation to the external changes within the environment. Of course, the burden of conservatism remain heavy, particularly in the relationship to union and shop-floor democracy. However, with the growing educational upgrading of the union membership some internal reforms become unavoidable and sooner or later the new forms of union participation and management have to appear. This is already evident in those unions which appeal to the semi-professional personnel and depend in their attractiveness on the new model of leadership free of the authoritarian bias.

The weakness of the analysis offered by Crouch is in the lack of recognition how fast the environment of trade union is now changing exercising a substantial pressure upon the whole trade union movement. The differences existing between the young and the old blue-collar workers should be recognized. The growing work participation of women needs at least to be mentioned as a factor of trade union transformation. The role of ethnic and race minorities also should not be forgotten.

As regards the world movement it is necessary to take into consideration the growing role of the Third World and the clash of interests between unions representing rich and poor countries. The limitations of the scope of the book by Crouch mainly to the U.K. empoverishes to some extent the perspective taken by the author of this otherwise very well written book.

Alexander J. MATEJKO

Université of Alberta

The Political, Economic, and Labor Climate in India, by V. Venkatchalam and R.K. Singh, Philadelphia, The Wharton School Industrial Research unit, University of Pennsylvania, 1982, pp. 147, ISBN O-89546-030-0, ISSN 149-0818.

This monograph on India is a part of the Wharton School's series on Multinational Industrial Relations Research Program.

The objectives of these series, as stated in the foreword are to supply: "(1) Key factual information and research concerning the activities, programs, policies and potential impact of the international unions including the "trade secretariates"; ... (2) similar information regarding the International labor organization and other transnational government bodies, which frequently are used for and/or support international union objectives and which have adopted codes of conduct for multinational corporation, that could significantly affect international laborrelations; (3) evaluation of the political, economic and labor climate affecting investment return in countries throughout the world; and (4) analysis and comparison of employee relations and public policy issues among different countries".

Within these prescribed guidelines the authors have done an admirable job in presenting key factual information on political, economic and labor activities in India and their effect on the investment climate. Almost half of the book is devoted to tables, graphs and appendices. The index, graphs and tables are well prepared and are easy to consult. Researchers looking for background information on India will find it a helpful guide.

The mongraph is divided into six chapters. The introductory chapter gives a profile of India in a table form. Chapter two describes the political developments in India, the largest democracy in the world today, since it achieved independence from the British rule in 1947. In the conclusion of this chapter, the authors suggest that Mrs. Gandhi's biggest challenge in the coming years will be from the national opposition parties "who have made moves toward coordinating their activities". In my opinion, the real challenge to Mrs. Gandhi's rule will not emanate from the national opposition parties, which are still in disarray but from regional political parties and alliances. India is a federation of 22 states. The latest developments indicate that in 11 states local patriotism, i.e. need for identity and self respect based on religious, linguistic and ethnic lines, dominate the political scene. Chapter 3, the longest chapter, deals with the economic infrastructure. The Indian economy is predominantly agricultural; 3/4 of its labor force is employed by the agricultural sector. In the post war years the industrial sector has received a great deal of attention through a series of five-year economic plans. These plans have been aimed at balancing growth in the industrial and agricultural sectors and increasing equity of distribution on wealth. The authors rightly point out that these plans have had only limited success so far. Unemployment and widespread poverty continue to haunt the policy makers. Economic planning has helped the country develop an impressive economic infrastructure. In June 1983, the Aid Consortium meeting in Paris commended the Indian government for its management of the economy in 1982-83 and pledged \$3.6

billion in development assistance for the next year. India has also been successful in obtaining commercial loans from the I.M.F. However, the conditions imposed by the I.M.F. have led to shift in economic policies toward a free market system. In recent years government has relaxed restriction on foreign investment as well as on foreign companies operating in India.

Chapter four traces the growth of organized labor. It is an excellent summary of the developments of labor movement in India. Labor unions in India, even today, have strong political ties with political parties. For example, out of the five major central trade union organizations, four are affiliated with various Socialist and Communist parties and the largest labor Confederation, A.I.T.U.C. is affiliated with the ruling party. While unions are composed of employees, they are controlled by outsiders. In my view, one of the major problems in the management of human resources in India is the multiplicity of trade unions in a plant. The fragmentation of the labor movement, relatively low wages, and high unemployment as well as lack of education among workers, all have contributed to a weak trade union movement in India.

In chapter five the authors describe the labor legislation in India, but it is not clear from the monograph whether labor includes urban as well as rural workers, organized or non-organized labor or both, nor do they evaluate the effectiveness of labor laws and regulations in preventing labor disputes and social unrest. For example, the Indian Industrial Disputes Act sets up an elaborate hierarchy of tribunals to deal with industrial disputes but it does not provide an acceptable industrial relations framework for speedy settlement of disputes. Collective bargaining is impeded by lack of any legal obligation to recognize unions and to negotiate in good faith with a majority representative of workers. There are no systematic procedures for determining the preferred representative of employees.

In the introduction to this book the authors state that "the main focus is on industrial relations and associated legislation". In my view, industrial relations is a multidisciplinary subject and it is generally accepted that political and economic factors alone cannot explain adequately the whole field. In an industrial relations system there are three major actors: labor, management and government. The authors ignore the history and structure of management, the second principal actor. Nor do the authors provide any information on the informal aspects of behaviour in organizations, such as interactions between workers and management or perceptions and involvement of workers on the shop floor. This in my view is a major shortcoming of this monograph.

In summary, this monograph provides useful general background information on political, economic and labor climate in India, but it is not a monograph on industrial relations.

Hem C. JAIN

University of New Brunswick

Workplace Industrial Relations in Britain, by W.W. Daniel and Neil Millward, The DE/PSI/SSRC Survey, London, Heinemann Educational Books, 1983, pp. XIII + 338, ISBN 0-435-83191-7.

This is the 1980 survey covering public services, private services, nationalized industries and the private manufacturing sector; all workplaces included into the survey have at least 25 employees. It is based on interviews with both managers and employee representatives.

According to the survey, ownership is the main source of variation in the extent of union recognition. In the nationalized industries union membership is almost universal and the position of unions is strong. Also in public administration the recognition is very widespread. In the private sector recognition is lower but densities are higher relative to levels of recognition compared with public administration (p. 279). In the private sector independent establishments are substantially less likely to recognize unions than establishments which constitute the parts of larger organizations. There is a substantial growth in the requirement that people should be members of trade unions in order to obtain or retain their jobs; 27 per cent of people are in the closed shops and only among the manual workers even 44 per cent.

The data produced by the survey show evidently the growing scope and depth of organization in the British industrial relations. The acceptance of unionism by the public sector has its major impact on the private sector, especially the large companies. For example, outside public employment, there is a strong and consistent tendency for a closed shop to be more common the larger is the number of people employed on site. Independent of the establishment size, there is also a strong tendency for the closed shop to be more common the larger is the size of the total organization of which the establishment is part (p. 282). The check-off arrangement (deduction by the enterprises of the trade union dues from the payroll) becomes more and more common. The role of union stewards is emphasized, especially regarding the power of their local committees through which they are able to exercise pressure on the management as well as on the union.

According to the survey, the bulk of personnel work is done by people who are not specialists. Formal educational or professional qualifications play little part. At the same time there has been a substantial growth of joint consultative committees (available in 37 per cent of workplaces) which is at odds with the traditional view of the British system of industrial relations. The shop steward representation is on the increase. Over one half of the employees are in the workplaces that have a joint consultative committee and trade union recognition.