THINKING OUT LOUD ON LABOUR RELATIONS
MANAGEMENT IN INDIA

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ABSTRACT

With the incidence of worker protests on the rise in a world of unruly capitalist onslaught on labour as, for example, has been found in the Indian automobile industrial landscapes, what are the possibilities of workplace harmonization? This paper addresses this issue by referring to not yet totally dead social democratic kind of voices of corporate liberalism on the one hand and labour liberalism on the other. If give and take reform does not emerge out of these voices for the mutual benefit of workers and employers, which seems to be the most probable outcome, then only solidaristic worker struggles will determine any betterment in the short term nature and character of employment for the workers in the ongoing predatory industrialization that thrives on a 19th century type sweatshop culture.
Keywords: Labour relations, industrial terrorism, corporate liberalism, labour liberalism, labour law reform, solidaristic worker struggles

INTRODUCTION

Auto workers not only in the lead companies but also in their subcontracting companies are in trouble and under attack from employers almost everywhere in the world. The insipid and callous managerial leadership and repressive measures that the powerful industrial employers, supported by the state machinery, have been authoring over the last decade and a half in the automobile industry, especially in countries such as India and China, can be described as a system of ‘industrial terrorism’. There is nothing new about this description of reality, though. The American government officials had used the term industrial terrorism long time ago to describe the employer warfare against workers in the late 1930s and early 1940s (White, 2010).

Also there is no gainsaying the fact that there is widespread retaliation from the restive workers. While much of this day to day retaliation in terms of workers beating up managers inside factories goes unreported and unnoticed, as the newspaper *Faridabad Mazdoor Samachar* informs us, the occasional massive violent flare up resulting in death and/or arson as it happened on July 18, 2012 at the Manesar factory of Maruti-Suzuki—the biggest car maker in India—catches the nationwide anti-worker attention and imagination. Workers are blamed for this incident even without independent and unbiased inquiry to unravel the truth. As the civil rights group People’s Union for Democratic Rights (PUDR), Delhi, points out, third degree torture methods were used by the Gurgaon Criminal Investigation Agency (CIA) while interrogating workers of Maruti Suzuki India Limited’s Manesar plant who are accused of involvement in the killing of an HR manager and the violent attack at the plant on July 18—‘…Workers have confirmed…that they were stripped
naked and beaten, and injured in the groin as their legs were stretched apart on both sides beyond capacity for sustained periods of time. Some were submerged in dirty water for long duration, and rollers run over the thighs of others...The use of third degree torture in police custody, and securing of arrestees’ signatures on blank papers by the police, gives rise to grave doubts regarding the ability of such an investigation in effectively identifying or arresting those guilty...A large number of the over 145 arrests of workers that have been made in the case are unrelated to the crimes in the FIR.’ PUDR goes on to say that the alleged role of company thugs (bouncers) that purportedly led to worsening of events on July 18 needs to be probed even as the policemen involved in the alleged custodial torture of arrested workers should be identified and criminally prosecuted (see The Hindu, 2012).

Such is the world of workers. Can there be a labour policy framework in India in order to protect the vast majority of precarious workforce from neoliberal capitalism’s excessive exploitation? To put it differently, is it possible to design and implement appropriate labour related laws, policies and institutions such as to promote greater flexibility (which the employers want) in the labour market on the one hand while safeguarding the welfare of workers and their families on the other? This is the concern of this paper. And this concern has been a byproduct of our empirical study that was carried out during 1999-2004 on what is happening to the Delhi NCR automobile workers (see Bose, 2012a; JCB and Pratap, 2012a, b). This study amply supported by literature survey about global auto workers, has documented the widespread reality in the automobile industry of the absence of generous employment conditions, the seminal role played by workers without written labour contracts or precarious workforce or non-standard labour, and state as well as employer sponsored violence in the national and global automotive production chains. The seminal argument of this study is simply that generous labour practices cannot emerge in short-termist employer driven workplaces on a generalized basis and be sustained in labour surplus markets in the open economy context of neoliberal globalization. This argument has
found more than ample empirical evidence. The dominant way of competing is on the basis of labouring which involves job insecurity through contractualisation and casualization of the workforce, autocratic and arbitrary management style, little or no training for workers’ development, low wages and indecent working conditions and labour rights violations as human rights violations. The most powerful insight gained out of this exploration of reality is the good old one which is that fear of losing job in the presence of expanding reserve army of labour is the basis of productivity and quality alongside flexibility obtained in the so-called modern auto workplaces. All the sophisticated business school theorizing in terms of human resource management (HRM) or New Industrial Relations (NIR) or ‘world class HR practices’ pales in comparison with this insight. Our study has arrived at these conclusions through not only a comprehensive literature survey but also a multiple-case-multiple-methods-inductive approach to qualitative as also quantitative data collection and analysis in Delhi National Capital Region (India). In other words, the reality check for our study is built on the examination of labour relations in five main units, viz. Maruti-Suzuki, Honda Siel, Daewoo Motors, Escorts and Hero Puch; and 38 Tier 1 subcontractors, 30 Tier 2 subcontractors and 12 Tier 3 subcontractors. What our study has found is not unduly biased against employers and their management. Other studies undertaken after ours, as pointed out below, too have found the same or even worse.

LABOUR REPRESSION IN INDIA

One needs only to go through the listings and detailed up to date documentation on the websites of Gurgaon Workers News, Faridabad Mazdoor Samachar, The New Wave, www.sanhati.com, Mazdoor Ekta Leher, Bigul-Mazdoor, WSWS, Labour File, International Metalworkers Federation, Tehelka, People’s World, radicalnotes.wordpress.com and even the mainstream newspapers and news agencies such as Business Line and Business Standard and rediff.com over the last few years to see the all pervasive labour unrest and
protest, caused by the greedy, unscrupulous and lawless “lala-type” employers—like the retrograde textile mill owners of colonial India as discussed by Tyabji (2000)—subscribing to the philosophy of labour as a consumable and getting support from all authorities including the police to browbeat and beat the workers black and blue, in the auto production networks as well as other industries in India.

It may be noted that the use of internet to project the labour situation has been a very recent phenomenon in India which began in 2007, and to reiterate, the GurgaonWorkersNews, in this regard, has been the best grassroots source of understanding the factory, personal and social lives and struggles of the Indian working class. It has incredibly documented, even much better than we have done in our own study, how workers, up and down the production chains, and labour activists speak about the day to day factory life and struggles.

We can also mention a few recent studies and reports concerning the burgeoning ‘labour problem’ in the auto industry in India in supplementary support of the above (Pratap, 2011; John, 2005; IGLHR, 2011; Lal Das, 2000 and 2006; Business Line, 2006; IANS, 2011; Das, 2010; Shrouti, 2004; Nayyar and Srivastava, 2011; Knowledge Wharton Today, 2011; Bajaj and Gottipati, 2011; Firstpost, 2011; Kaushal, 2011; ET Bureau, 2011; Sethi, 2012; Geetha and Dutta, 2012; RUPE, 2012). The overall story of the auto production chains that emerges out of these studies and reports, most of which were undertaken during 2005-12, is more or less a repeat of our own findings that apply to the 1999-2004 period. The situation has actually worsened after our field work.

We would like to emphasise, after roughing it out in the field for about five years, that the employers and state authorities in Delhi NCR, and especially in Gurgaon, Manesar, and other areas in Haryana are the most cunning, brutal and murderous in dealing with the
protests of non-violent workers in India. It is not that we are supporting labour violence, mostly reactive, that occurred in some cases. When one examines, case by case, each company’s management of labour relations, it is crystal clear that the employers and their managers are not really interested in creating good labour relations. Instead, they actually enjoy abusing and thrashing workers and their families with the help of police and their own company thugs. How can the hell and violence wreaked on protesting Honda workers in Gurgaon in 2005 be forgotten? Almost every employer does this in Gurgaon including the great Maruti-Suzuki and its honourable vendors in the parts supply chain. And every employer wants dumb and energetic young slave labour. In most cases, employers and managers as also the mainstream media and elites more than amply demonstrate and promote pathological hatred towards the workers. Thus, a real research question that needs to be answered in India is whether its entrepreneurs are interested in harmonious labour relations, and if so, how they would like to create them. Also, in the process, what meaning the employers and their managers attribute to “good labour relations” needs to be unraveled.

Workers on their part have protested, albeit mostly in vain, in various ways—go slow, tool-down, sit-in strikes, wildcat strikes, solidarity strikes, factory occupation, public meetings and rallies, etc. Workers’ actions are categorized as “illegal” even as everything the employers do is deemed “legal”! Fighting for collective bargaining rights is treated as illegal in Delhi NCR and India in general.

Given such innumerable ground realities of capital-labour conflict, sincere union leaders and workers that we had interviewed were deeply upset about the unruly capitalists violating every labour law. Furthermore, while employers have included lists of misconducts in their standing orders and service rules in order to ensure discipline at the workplace, most of the time they do not follow the principle of natural justice according to
which no penalty, be it minor or major, should be given without an enquiry into the misconduct (Mathew, 2000). Actually this is a very murky area as most workers feel that ‘misconduct’ is most of the time framed or fabricated to victimize and kick out the targeted workers and barbaric punishment is meted out to the workers according to the personal whims and fancies or “animal spirits” of employers/managers, and the labour authority or court is really of no help in this regard. So, why have ineffective labour dispute settlement institutions such as these, which now have turned pro-employer, anyway?

While our discussions with groups of workers in the union offices within the factory premises or elsewhere on these lines invariably became overheated and abusive, there is no gainsaying the fact that the recent charged up militancy of contract workers in Delhi NCR is a reflection of super-exploitation going mad—they have already lost so much that they have nothing to lose anymore, but only their chains! And when raptures take place there is every possibility that they could inflict unpredictable damages on the employers. This is what the employers are now a bit scared of, in this region. Moreover, the temps are fed up with the day to day dangerous grinding at the workplace; they do not care what kind of manufacturing methodology is put in place according to the managers. The reality for them is close to the portrayal in Juravich (1985) which is the typical scene in factories as one of chaos and fire-fighting due to lack of improvements in labour processes and managerial failure and indecent behaviour of the bosses like blaming the workers for ‘rejected work’ and cutting workers wages against it and manhandling even as contract workers do not get even minimum wages and yet figure out how well they can do under the circumstances and what meaning they could construct out of the chaos in the unsafe workplaces of mindless fast repetitive manufacturing day in and day out.

What is the way out of this unfolding negative sum game—employers and workers looking for opportunities of inflicting damages on each other? Is there a reformist way out as, after all, capitalists need workers and workers need jobs for their livelihood? A reformist way out
of this bloody mess is possible, it may be argued, if only give and take dialogue happens between representatives of ‘corporate liberalism’ on the one hand and representatives of ‘labour liberalism’ on the other, thereby leading to sustainable codes of conduct for workplace harmonization.

In what follows, we critically examine the remnants of corporate liberalism and labour liberalism and whether and how they can meet with each other for a give and take to bring about non-violent labour relations. And this we do from the template of our fieldwork observations and perceptions in Delhi NCR, which we believe have all-India relevance.

CORPORATE LIBERALISM

Corporate liberalism is a rather vague talk about world class human resource practices and labour law reform. Not only abroad but also in India, there is a fashionable management consultancy talk about ‘world class employment practices’ without elaboration as to what they are in terms of nature of contracts, skills and training, remuneration and compensation, work organization and worker participation, and workplace governance and worker organisation. For example, Parker (2010) puts together some literature to say that world class business organizations treat their employees as business partners and make them happy in order to make their customers happy. True partnering wherein no one is greater than the other and where sharing of reciprocal interests takes place from a base of equality is the way the management of a sound employment relationship happens between employer and employee in these organizations. We are not given any reality check about this, though, and as such we simply will have to assume that whichever business organizations are categorized as ‘world class’ have happy employees, or organizations with happy employees are ‘world class’! We will have to take, for example, that Maruti-Suzuki, Hero Honda, Honda Motor & Scooter India and the like in India are ‘world class’ and so
have happy employees! If ‘world class employment practices’ imply provision of employment contracts of indefinite duration, then how is it compatible with the real world provisioning of ‘garbage labour contracts’?

In India, there are management consultants such as Kakkad (2009) who go around the corporate world making presentations about the world class human resource (HR) practices as listed below:

(i) Recruit right men for the right jobs
(ii) Pay them adequately
(iii) Consider your human resource as an asset and slowly build on it through grooming; for, human capital is the only asset that is not reflected in the balance sheet. So, train people and measure training effectiveness
(iv) It is the responsibility of management to provide a healthy work environment which includes workplace health, safety and security apart from equal opportunity employment
(v) From recruitment, wage fixation, increments, job rotations, deputations and promotions, a totally merit based system should prevail
(vi) Build high performance workforce, from Chairman to Watchman, by defining performance management system; reviewing senior leaders’ performance by 360° feedback; encouraging staff by variable pay system and by inculcating accountability and rewards and recognition; and measuring and improving employee satisfaction
(vii) Create future leaders for succession planning by identifying a talent pool, and grooming them by special projects assignments, job rotations, multi-tasking and multi-skilling, mentoring and hand holding (i.e., providing someone with information, guidance, assistance, encouragement or aid and support to lessen anxiety)
Dinesh Kakkad, who claims to be a versatile quality, environment, safety, business excellence professional having more than 35 years of professional experience and a master trainer, offers consultancy, training, hand holding in any business improvement initiatives in fields of ISO certification, TQM, TPM, WCM (world class manufacturing), lean systems and business strategy and what not. But he does not give us a reality check of the evangelism he is professing! Nor does he throw light on the contradictions between managing productivity and quality on the one hand and managing flexibility on the other at workplace and the implications of the same for the nature of the labour contracts offered to the employees.

What is the relevance of his preaching when or what if all that the employers want is 100 per cent temping in their workplaces? On one count he needs to be appreciated, though; and that is with respect to what he says about ‘training’ in the corporate sector: “We seldom train people, even if we do, we do not measure training effectiveness”. But here again, what is the root cause of no training? Anti-worker management mindset or deskilling labour process under capitalism? There are no insights, whatsoever, gained from Kakkad’s presentation in relation to labour relations outcomes that are actually observed in the real world. The realities of work and work relations that we have discovered through field work, from the viewpoint of direct production workers (like excessive temping, no training, no worker empowerment and participation, no dignified wages, and no union recognition rights, etc.), are opposite to what management consultants like him go around stylishly talking about. They do not have any real world case studies about how any company in India or abroad has demonstrated ‘managerial progressivism’ and created in a sustained manner good labour relations, and therefore, their saintly presentations create a make-believe good world even as they really amount to a travesty of how employers and managers actually behave in workplaces. As the industrial sociologist E.A. Ramaswamy had remarked long time ago, one is still waiting for an authentic story of high road employer/managerial behaviour drawing on support from workers and their leaders with regard to labour relations management in India.
Integral to the above “corporate liberalism” is the somewhat rare talk about protecting employment and not employees, from the apparently benevolent Arun Firodia, the Chairman of the Kinetic Group—which is one of the pioneering groups in automobiles in India, founded in the year 1972 by H.K. Firodia, known as the doyen of the Indian automobile industry—thus:

The Indian Industry needs flexibility to adjust the workforce in tune with the changing demand pattern, which depends on changing fashions, product life cycles and competition. While adjusting the workforce surely the interests of the workers need to be protected. This can be done by retraining them for new jobs as also upgrading their skills to make them mobile and adaptable to change. For this, a special fund can be created with contribution coming from Industry. Secondly, insurance companies can offer "Unemployment Insurance" to cover the period of unemployment. Both the employers and employees can contribute towards the premium. Insurance companies will make payments to the employee on a sliding scale, say, 100% payment for first six months, 75% for next six months, 50% for further six months and 25% for the last six months to cover a maximum period of two years.

Insurance companies can come forward with suitable schemes. They can charge less premium to persons who are employable elsewhere because of their skills. Finally, the Industry can also create a special fund by setting aside some 20% of annual wages for payment of compensation to workers in case of retrenchment. This will allow Industry to retrench workers without causing them any hardship.

The limit of 300 workers for exemption from needing government permission to close down a unit is inadequate, as it would be applicable only to small and medium units. In my
opinion workers of large units drawing more than say Rs 10,000 per month should also be
included in this.

Some states like Maharashtra have announced that new simplified labour laws will be made
applicable to SEZs, but SEZ have yet to come up. I feel it will be discriminatory to existing
domestic industry as they cannot shift their units to SEZs. Domestic industry should also be
given benefit of simplified labour laws.

Allowing contract labour for peripheral services like canteens, transport, gardening,
security, housekeeping is one of the solutions. Even in direct manufacturing contract labour
should be permitted to take care of seasonal peaks.

Our concept of lifetime job security has led to inefficiency, low productivity and poor
quality. Many employees are content to do the same job year after year without any
ambition to rise in life. Most of the industries are not going in for fresh recruitment, as they
are afraid the workers will become permanent and cannot be removed if business climate
changes. They prefer to install expensive machinery instead. That adds to cost; as also job
opportunities are lost.

We should think of protecting "employment" and not "employees". In this connection
Chinese labour laws can serve as our guide. Some of the key features that can be borrowed
from the Chinese law are: (a) Industry having flexibility to adjust the workforce depending
on market conditions. It does not require government permission to reduce strength. It can
be done in consultation with the union; (b) Worker is paid compensation linked to length of
service. If situation improves a retrenched worker is taken back on priority; (c) Wages
negotiated on a piece rate basis linking bonus to production; (d) Overtime payment of one
and a half times is standard; (e) Government provides funds for training/retraining workers;
Minimum wages are binding. But government can revise these depending on market conditions; and (g) Settling disputes through arbitration.

As a result of all these measures, and more, China has created millions of jobs in recent years. My recent visit to China clearly convinced me that the people there actually believe labour reforms have created growth. Thus it is very clear as to what it takes to create a competent industrial workforce. But first the people of this country must be convinced about the course we need to follow. The labour unions, managements and the government must all contribute to the process without mutual suspicion and misgiving (Firodia, 2003).

While Firodia’s call for Chinese type labour market reform in India is laudable in the sense that it may be useful in working out a way of reconciling labour welfare requirements of workers with labour flexibility requirements of employers by way of ensuring income security without job security, Firodia is very much misleading with regard to the Chinese realities of work, workers and working conditions, which, as conveyed by GLS (2008) and White (2008) are a must read.

As these sources point out, China has emerged over the last three decades as the world’s workshop based on an export oriented development model that has attracted a flood of foreign multinational corporations seeking to take advantage of China’s rural to urban low wage migrant labour and business friendly policies. In a deregulated paradise for employers wanting total flexibility to make labour nothing more than a commodity they can purchase and kick out at will, workers have been abused left and right with extreme long hours, high paced repetitive work, wage theft, underpayment and late payment of wages, appalling health and safety, sexual abuse, forced labour and suppression of strikes. Group labour disputes, which are the majority, are not addressed. Chinese workers do not have freedom of association and the right to independent union formation. And they also lack the right to strike but this has not deterred them from increasingly resorting to protests. The Chinese
government “tolerates local strikes and civil disturbances but ruthlessly suppresses any effort to link workplace struggles or to create organizations which could rival the Communist Party or state sponsored groups” (GLS, 2008). The All China Federation of Trade Unions is an arm of the Chinese Communist Party and does not act as a genuine trade union organization. Rather than putting workers’ interests and the protection of their rights first, it has largely played a pro Party and pro employer role (Bai, 2011).

Most of the workers, 80 per cent or more, suffer from lack of written contracts and the recent labour law reform, opposed by most multinationals and Chinese employers, requires a written contract for each employee; encourages open ended employment contracts rather than fixed term agreements; makes dismissals more difficult; automatically grants open ended contracts to workers with 10 years of service; and requires that many company policies and procedures be negotiated with employee representatives. This aspect of labour law reform sounds really decent or progressive from the viewpoint of workers but the new labour law reform suffers from the problem of unenforceability and does not affect labour outcomes without bottom up pressures including worker litigation, activism of grassroots legal service sector to represent workers in official administrative hearings over workplace grievances, and of worker centres geared toward teaching workers the tools and techniques of self-organisation and the like. The struggles from below in China only affirm the truth that humanistic progress anywhere comes when people fight to better their conditions, not due to the unilateral generosity of employers or the state.

LABOUR LIBERALISM

What do workers want? Most workers that we had interviewed were anguished about things falling apart even at the big firms such as Maruti-Suzuki and angry that employers, contractors and political leaders cared two hoots for creating good labour relations and
that they were also least bothered about their existence. Our discussions with workers and their representatives in the main units and Tier 1 subcontracting units and some Tier 2 subcontracting units as well, that we had contacted, bring out overwhelmingly the central point that workers prefer a give-and-take labour relations scenario to the ongoing autocratic and arbitrary workplace governance thriving on workers’ fear of losing job; and workers prefer this as the best way of bringing out high productivity and quality that takes care of the interests of management as also their own interests in times of new competition by cost as well as quality. Thus, their generic ideas and aspirations fit well into what Schregle (1992; 1994) had long time ago pointed out, which is also widely shared in the worldwide labour movement in the day to day ordinary business of life—which is kind of “labour liberalism” in contrast to “corporate liberalism” with the emphatic add-on that it is the employers and their managers who are in need of right education and cultural transformation as an immediate priority, and not the workers, in this connection. This is nothing but making the case for constructive labour relations. And in so doing, the importance of workers’ education is not ruled out, although who should impart it and how effectively it could be imparted are moot questions, especially in the Indian context. An exemplary initiative, for example, in this regard has been that of the United Association for Labour Education (UALE), which, as a national organization of labour educators in USA, works towards progress, growth and hope for the labour movement. It is useful to underline what UALE says: “Education is an essential tool of union transformation, developing new leadership and meeting the ever-changing needs of unions and workers.”

4.1 Constructive Relations

Most of the workers and their representatives, that we had contacted during our fieldwork, are concerned about improved productivity and quality, which is also the topical ‘fetish’ of their employers and managers. They want to be involved in decisions concerning increase
in productivity and quality but they are not sure if their employers are really interested in participative management. Workers demand guarantees that improved productivity will not adversely affect their position, particularly as regards job and income security. They also demand an assurance that the gains resulting from increased productivity will be fairly shared between employers and workers and that the adverse effects of competition ought to be shared by the employers and management as well.

While putting forward the above preoccupations, workers do recognize labour-management cooperation as a fundamental precondition for efficiency in the production of goods and services in larger quantity and better quality. At the same time, they do recognize the equity concern that emerges out of the divergence of interests between management and labour. For example, what for the workers is income and job security is for management cost elements. From the workers’ point of view high wages and effective protection against arbitrary dismissal are an essential factor for the maintenance of a decent life. From the employer’s viewpoint, high wages increase production costs and therefore reduce the competitive position of the enterprise on the market, and limitations by law or collective agreement on management’s power to hire and fire reduce the area of managerial decision making, and consequently management flexibility and adaptability to changing conditions and market fluctuations.

The main problem or challenge therefore is how to bring about good labour relations as constructive relations by arriving at a compromise or agreement as code of conduct in full recognition of the divergence of interests between capital and labour, and sustain it through give-and-take on both sides. This operational compromise will not materialize unless the employers are committed to some ethical principles of labour relations.
The first and foremost ethical principle concerns basic trade union rights. The genesis of bad labour relations lies in the autocratic and arbitrary management style and employers’ rejection of cooperation with workers’ representatives. Workers are aware of the fact that for employers and political leaders, the term trade union is almost synonymous with strikes. But for them, the right to strike is a legitimate and the last means to defend their claims and promote their demands and this is an integral part of true collective bargaining, a fundamental trade union right, an element of the universally recognized freedom of association, or, in other words, a basic human right. To go on strike is a luxury that workers cannot indulge in and they do not have staying power to go on long strikes. The challenge, therefore, is to recognize the principle of the right to strike and, at the same time, to devise ways and means to settle differences through agreed grievance redressal procedures with the involvement of trade unions. Trade union involvement in all aspects of labour-management arrangements is a prerequisite for sustained good labour relations.

In the situation of widespread unemployment and underemployment alongside rare or nonexistent public unemployment benefits prevailing in many developing countries such as India, the loss of job means for the worker the loss of the only source of income not only for one person but often for an entire family. Therefore, job security is the highest on the agenda of worker demands. In this milieu, workers seek to obtain employers’ recognition, where possible by agreement, of the high priority to be attached to job security. In fact, workers are prepared to do anything that the management wants for the sake of productivity and quality if job security is guaranteed. It is ironical that employers talk about workers’ commitment towards quality and productivity techniques on the one hand and on the other betray the workers by not showing a commitment to employment security, labour-management consultation and cooperation and fair distribution of the fruits of productivity improvement. According to the workers, productivity and quality
improvements can happen in a sustained manner if and only if the workers’ fear of job and income losses could be dispelled.

This is not all. Productivity and quality programmes of the employers can be successful only if the employers show commitment to open ended employment contracts and functional flexibility instead of temping and numerical flexibility via a training programme that matters for the workers with the involvement of the trade unions. In short, many workers, that we had interviewed, want improvements to the labour processes as the key to productivity and quality increases, and in this regard they are even prepared to live with quality and productivity enhancing lean production model, even if it entails harder and faster work, if only employers demonstrate ethicality in employment relationship on the above lines, and deep honesty in executing change management. In our opinion, thus, workers have an open mind and are more modern in outlook as compared to most bourgeoisie in India who are dark-minded and still the backward “lala-type” and who do not accept a system of true collective bargaining as the principle for the conduct of industrial relations for high quality and productivity.

If the above discussion holds good for the workers in the main units and Tier 1 subcontracting units that we had contacted as representative of the 8 to 10 per cent organized sector’s workforce in India, what about the aspirations of the workers in Tier 2 subcontracting units and below that we had contacted as representative of the 90 to 92 per cent unorganized workforce in India? Well, while some workers do support the above views, many workers that we encountered here were too subdued and cynical or petrified to express what they desire. Collective bargaining is nil or rare in the unorganized sector and most employers provide for wages lower than the applicable minimum wages. The situation is pathetic as in many States in India, for various employments, the minimum wage, leave alone living wage, has not been fixed and in many cases such minimum wages
have not been revised after a long interval, leave alone being indexed to inflation. Where it is fixed, it is too low and inadequate to cater to even subsistence requirements of a single person (Mishra, 2000; Das, 1998). Most of the legal rights of workmen in the unorganized sector exist only on paper and not in reality. It is in relation to these workers that one cannot help but becoming a pessimist or a pessimists’ pessimist like the sociologist Jan Breman. As Holmstrom (1997) writes, ‘...Breman is a pessimists’ pessimist: he writes about people who not only lead miserable lives but expect no improvement, and he clearly thinks they are right. I hope he is wrong but fear he could be right.’

THE WAY AHEAD AND CONCLUDING REMARKS

So, what is the way out? Given the order of the day, which is labour repression and utilization of labour as just another manufacturing input, it may be argued that a pragmatic way ahead needs to be worked out not through legal measures and bitching about them but through give and take negotiations resulting in codes of conduct between representatives of ‘corporate liberalism’ on the one hand and representatives of ‘labour liberalism’ that must extend to the unorganized workers or ‘voiceless labour’ on the other. This sounds nice and fair. But how many employers in this country would support and stand by an agreed code of conduct in this regard? How many employers in this country subscribe at least to Firodia’s liberalism and call for Chinese type labour law reform in India, that, according to him, is supposedly mutually beneficial to labour and capital? For both the questions concerning workers and employers in the main units and first tier subcontractors, the answer seems to be in the negative. The actual, typical behaviour of employers, in India as also abroad, is in favour of hire and fire labour system without obligations (see Bose, 2012c) and without fear of the rule of law. In most countries including many OECD countries, existing social democratic labour laws have been changed to bring about
rampant temping and individualized bargaining, all in the name of worker welfare improvement!

As regards the vast majority of the invisible workforce who are labouring, without pay slips and written contracts, leave alone the golden open ended employment contracts, not only in the formal economy but also in the informal economy of the production chains, nobody really knows what pragmatic worthwhile labour policy can be formulated for them as long as they are not identified to begin with. They are the living dead, the forlorn scum of the earth and they need to be respected by means of visible status, which needs to be given, to begin with, by the employers as also the shameless leftist-rightist-centrist governments that are acting as the “arms of the employers” even as they profess ‘labour liberalism’ as the present ruling UPA government has done in its “Common Minimum Programme” that they are “firmly committed to ensure the welfare and well-being of all workers, particularly those in the unorganized sector who constitute 93 per cent of our workforce” (see NCEUS, 2006). The registration of the overwhelming majority of unorganized workers and unorganized units in the production chains is the most daunting political task which needs to be done first. And this may be done, to begin with, on the lines suggested by NCEUS with inputs from some of the India’s leading liberal administrators and labour economists. Again, as usual, the 64,000 dollar question is whether this will indeed be implemented comprehensively and without corruption, before any meaningful “social security” can be delivered to the informal workers without corruption. Once the invisibility of these workers is removed, then their bipartite bargaining vis-à-vis employers should be promoted through guidance and assistance from ‘Social Justice Cells’ (Mathew, 1996) in different industrial areas, ably supported by labour welfarist voluntary organizations. These ‘cells’ would also have to take up the task of educating the vast majority of the unorganized Indian working class. Mathew (1996: 21), who elaborates how to establish and operate these cells, inspiringly concludes as follows:
Thus a dynamic social justice cell with multi-dimensional activities can be a great source of strength, support and inspiration to the oppressed and exploited sections of our country. Without animating the poor and organizing them they will not be able to make use of the available means and resources in the country for their progress. What is important for their development is their participation in the political process of the country. For this they need to become aware of the various dimensions of the political life. So the primary task of the social justice cell is to conscientise the people of their dignity, legal rights and their dormant powers so that they will be able to create their own history and destiny. The function of a Cell must be viewed in the context of people’s organization and a people’s movement for establishing an exploitation free society and a just social order. It must operate mainly as a support structure for social action and a catalyst for change.

The loud protests made by many employers and mainstream economists about the excessive rigidity in the labour use in the Indian context is rather misplaced. As Papola and Pais (2007) point out so well, the truth is that the Indian labour market is, by and large, completely unregulated. The so-called labour market reforms debate or the Firodia type labour law reform as mentioned above applies only to less than 3 per cent of the workforce in India! Of course, with regard to this 3 per cent, there is need to overhaul the regulatory framework in a way that it is not one sided and in a way that is ‘friendly towards both industry and labour’ through, inter alia, a social insurance system and reliable and fasttrack institutions of individual and collective grievance redressal. While the relevance of the 2007 and 2008 Chinese labour law reform for India needs to be examined in this regard, it is also important to find out why in spite of it labour disturbances were widespread and on the rise since then in China. It is useful to underline what the labour law researcher White (2008) has said in this connection: “Changing the labour laws may not change the behaviour of industrial relations participants and what happens in workplace practice. Whether
employer abuse of workers will end and a system developed capable of delivering fair play on workplace grievances is yet to be seen.” It should also be kept in the mind that while the new labour law reform in China was a response to excessive exploitation of workers, its impact potency is questionable in the presence of rampant violation of labour laws concerning employment contracts and industrial disputes settlement and Corporate Social Responsibility Codes.

The power elites of this country must most importantly bother about provision of minimum decent conditions of work and social security to the vast majority of the workers not covered by the existing labour regulations. A sound beginning in this regard could be what the NCEUS (2006) has proposed. Can any government show the political will to get down to doing this at least (which, according to the hearsay, is a very diluted version of the original draft due to pressures from above)?

The problem is that political debasement and anomie in this country has been too much to make any worthwhile difference to the unorganised labouring poor, even as the workers, mostly migrant, say that they are really patriotic in that instead of choosing to become anti-social elements they have chosen to work in factories, however terrible and horrible their work and personal life may be. The solution lies in give and take politics but when the employers, contractors, politicians and authorities (including police and private goons) are hand in glove with one another, sharing the loot and having a party, what is to be done?

We have a general malaise in the country that Nandy (2010) has bemoaned: this country has become the biggest breeding ground for rogues, rascals, thieves and thugs...owned by builders, criminals, extortionists, and politicians who are often all three combined. What the bosses do to workers in factories is very much integral to this “goondaraj” malaise.
In this milieu, the labour face of the Indian governments is not yet revealed; for example, while P.A. Sangma as an erstwhile Labour Minister of India had called for bipartite labour relations to replace tripartism, thereby making it explicit the withdrawl of the state from the industrial relations field, the current Labour Minister had recently chided Maruti-Suzuki for violating the labour laws of the land. Similarly, the face of judicial activism in the country is not clear; for, the Supreme Court had given anti-strike verdicts as also verdicts against the violation of the contract labour legislation in private as well as public sector of the Indian economy. It has been quite enigmatic as to why labour law reform that is mutually friendly for labour and capital has no place in the reforms agenda of the ruling governments in India even as the opinion that economic reforms cannot progress without flexible labour laws has gained currency (Chandramohan, 2012). By choosing not to do anything despite rhetoric about ‘simplification of labour laws for international competitiveness’, Indian governments have only sanctioned, *de facto*, employer violations of labour laws with impunity.

Under these circumstances, the situation of labour in India in the coming years is going to be worse than that of labour in China which is considered as the critical site for determining world labour outcomes. In the absence, in India, of the grass roots battle for labour rights that has begun indeed with some state support through legal reforms in China, the only way labour conditions can change for the better is through solidaristic workers struggles; if the Indian workers in the entire production chains such as in the automobile industry develop solidaristic links and withdraw their work and thereby paralyse the national and global production chains, then the employers would concede some betterment and human dignity for the workers. Most probably, this is going to be the way ahead. This therefore links us up with the global auto workers concerns and perspectives leading to solidaristic class struggle as the only way ahead for any improvements in working conditions (see Bose, 2012b), although there is no blueprint as to how to go about this, and there is not much rapid progress seen in this regard as well. How local, regional, national and global solidarity...
among fragmented and divisive workers and their divisive leaders can emerge even as the employers divide and rule the workforce by horizontally segmenting it into permanents and temps with a distinct tendency towards nullifying the former as well as vertically segmenting it through their vertical supply chains within and across countries is the bugging question that needs to find answer in the labour movement against contemporary savage capitalism.

In the final analysis, thus, resolving justly labour relations problems with or without third party intervention that also serves the labour flexibility goal of the employers is easier said than done in the climate change (Bhaduri, 2012) that has gripped policy making in India and elsewhere. Any suggested or actual blueprints in this regard need to be brought to light and examined with a view to creating a flexible economy based on worker rights and fairness. Moreover, as a byproduct, there is a serious implication of this discussion for the subject of ‘industrial relations’ itself. And that is as follows. From the viewpoint of workers, this discipline is dead since there is hardly any employer who is in favour of worker organisation. How the field of industrial relations (IR), therefore, “must have a future” by factoring in concerns of workplace equity as also social equity, or to put it differently, how it can pursue its basic purposes to “humanize, stabilize, professionalize, democratize, and balance the market system” (ILR Review, 2006), in times of freewheeling neoliberalistic globalisation wherein competition among workers is going to increase just as competition among firms has increased, is a question the answer to which not just in terms of hope but in terms of problem solving involvement with the real world of workers with or without the introduction of a third party representative, nobody really knows, so to say. There is, thus, an academic crisis in this field. The labour policy paralysis (in conjunction with this intellectual crisis) in this country is also in a way a stinging testimony to not only the failure of the political class to institutionally and reliably address the predicaments of the working
people but also the inability of the old and new labour movement (i.e. political unions and independent unions) to create bottom-up pressures on the ruling classes.

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