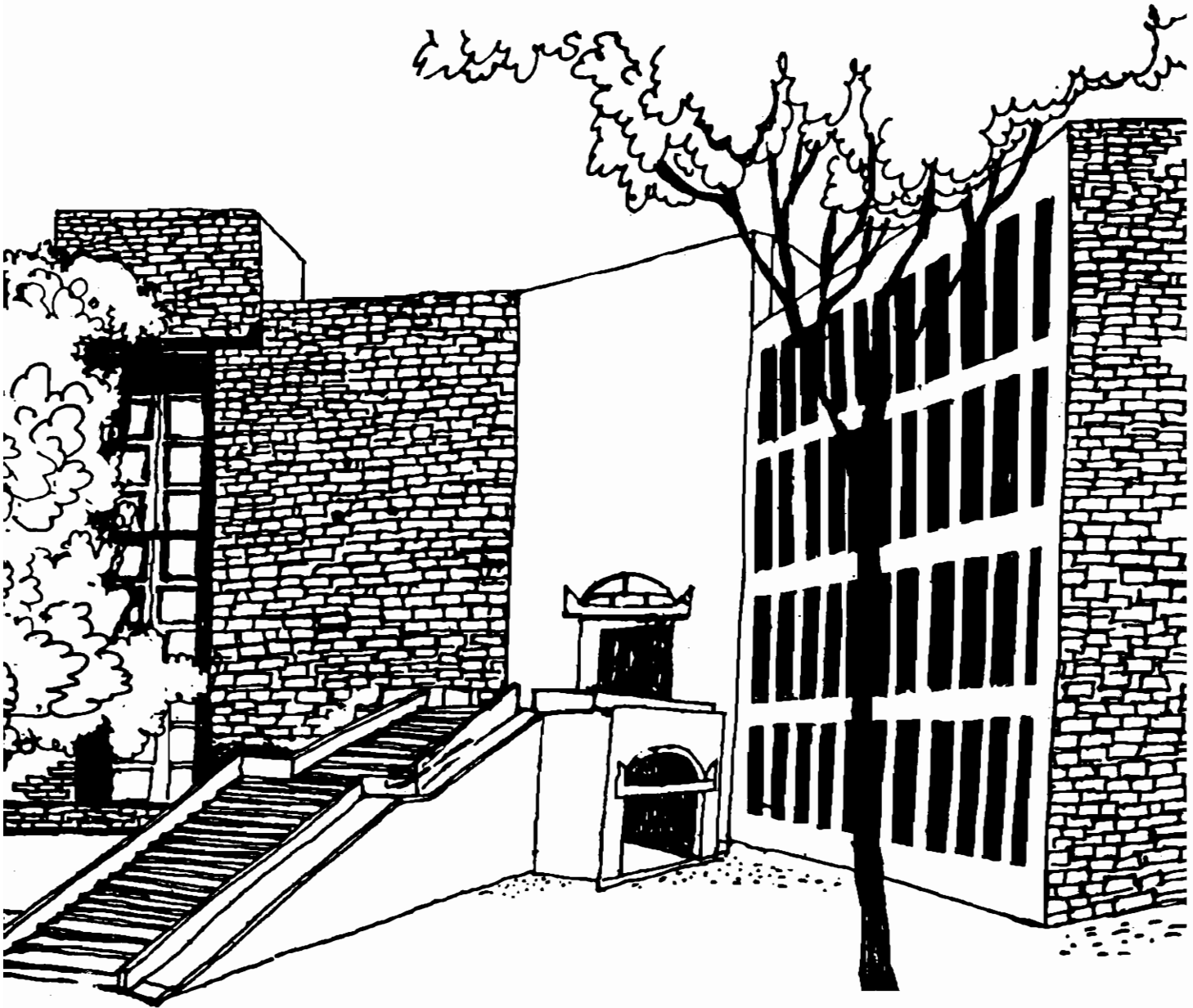




# Working Paper



**SOME THOUGHTS ON OUR TRADE UNIONS**

**By**

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## Some Thoughts on our Trade Unions

I feel twice privileged and honoured to stand before you to deliver this talk. My personal contact with TISS has been quite modest and infrequent. But, from a distance, I have always regarded the Institute as one of the best centres of academic excellence in the country. Similarly, I have stored within me a great deal of respect and admiration for Dr. Punekar as a result of my acquaintance with him and his academic work. His interest spanned a broad spectrum of socio-economic issues. I was quite fascinated recently to see the two-volume compilation co-edited by him for the Indian Council for Historical Research. I feel privileged to offer my tribute to Dr. Punekar's life and work. His work with Manorama Savur on white-collar employees had led them to express a deep concern about the growing emphasis on economic development without adequate attention to human values. They went on to suggest that the first step in planned development was to humanize the dehumanized groups. I present this talk to serve as my tribute to this aspect of Punekar's research interest.

Punekar represented the first generation of post-independence social scientists who began to examine the social implications of urban and industrial growth in our country. At that time, some western scholars interested in human and social aspects of industrialization in developing countries introduced their conceptual models and intellectual concerns into the emerging field of urban-industrial social science covering the disciplines of sociology, psychology, economics and history. Hence, as the process of planned industrial development was being launched in the fifties, the awareness regarding the human problems of modern industry began to influence the minds of practitioners as well as scholars. The research effort of social scientists then was dominated by the theoretical and prescriptive contributions of the human relations school which posed the psychological, social and cultural needs of people involved in industrial work as an important determinant of the success and effectiveness of an enterprise. The main lesson of these researches for management practice was that the satisfaction of human needs should be treated as a crucial input in programmes for raising industrial productivity and profitability. This approach, as we all know, has led to a wide variety of interventions in management of people, including models of motivation, welfare, counselling, communication, job enrichment, humanization of work organization and par-

participative management. The more recent thinking and prescriptions on management of people are incorporated in the body of knowledge bearing the title human resource development (HRD). While scholars and practising managers may differ on the precise content and coverage of the HRD approach, one of its more significant attributes lies in the assumption that the well-being and development of human beings associated with an economic enterprise constitute an integral part of the health and growth of the enterprise.

These developments in application of social science knowledge to the human problems in industry are grounded on an important premise, which many social scientists may be reluctant to accept as it is apparently unscientific. In my view, acceptance of the human relations or the HRD approach to management of people implies acceptance of some basic human and social values which can be best described within the framework of values guiding our dream-society embodied in the Indian constitution. Thus, we need to be committed to the view that an enterprise exists to contribute both to the conventional socio-economic goals of productivity and growth as well as to the welfare and happiness of the people working for it. Correspondingly, the technical and economic system of the enterprise should be managed

in the context of the fundamental principles of social equality, justice, fairness and human dignity as we have collectively adopted.

There are various ways in which we pursue these collective values as a part of human resource management in work-organizations. In the first place, the function of management is performed within the parameters of the law of the land which prescribes rights and obligations for all concerned categories of people. These rights and obligations are supposed to reflect the basic values which I have just listed. Second, the social conscience and action of the people representing the ownership and management of an organization are expected to be guided by these values. Third, the people who work in organizations as employees are entitled to take collective action in pursuit of the values by forming trade unions.

The primary function of trade unions from employees' point of view is to protest and fight against the violation of their legal rights and the current norms of fairness, equality and social justice. Unions are also expected to strive continually for a better deal for employees in respect of monetary rewards, working conditions and control over work situation. The protection of employees' rights and promotion of their interests need to be organized within the norms of civic and organizational responsibility. The product of protest

should normally emerge in the form of agreed rules, procedures and practices to guide the conduct of employment relations in future. The involvement of trade unions in the affairs of the larger community and in social and economic policy at various levels is an extension of their primary responsibility regarding the rights and interests of employees. Let me underscore the elementary principle of democratic logic that trade unions are essentially designed to supply a countervailing force on behalf of employees in the conduct of employment relations. I am sure we need such a countervailing force uniformly for all categories of employees involved in employment relations. It is indeed a pity that we have not so far been able to develop a system of mandatory and easily available trade union support for employees in all sectors of our economy. As long as trade unionism is voluntary, it is the shared responsibility of employers, employees and the state to ensure availability of effective trade unions to provide the much-needed countervailing power to employees.

In this background, let us scan the reality of trade unionism. The vast majority of workers in agriculture and unorganized industry are without the support of union power. In organized industry, less than one-third of employees are unionized. Those who are not



supported by unions would have to depend on the social conscience of employers or support by the state or voluntary social service agencies. Insofar as trade unions signify pursuit and promotion of human values, our effort in this direction is woefully partial and inadequate.

In those sectors where trade unions significantly represent employees' interests, they have contributed to improvement in workers' incomes, working and living conditions and various other aspects of employment relations including the behaviour and attitudes of management. Moreover, trade union federations functioning at the national, regional or industry levels have cumulatively played a major role in periodical improvements in the social and economic conditions of the working classes by influencing government, employers and the public at large through the multitude of tripartite agencies and political action on specific issues. We may greatly differ in our assessment of the net worth of trade unions in India, but I am sure there cannot be any difference on the conclusion that our problems of social injustice and inequality would have been much worse than they are if trade unions did not exist. Of course, in such an eventuality, some of us would have been happier, mightier and more irresponsible.

These simplistic statements on the value of Indian trade unions have been presented here to ensure that my reflections do not sound unbalanced. I really wish to concentrate on the fast-growing popular belief that the value and relevance of trade unions are steadily declining. Dramatic examples of this emerging opinion are journalistic catch-phrases such as "the shrinking power of unions" and "the militant employer". Trade unions have become easy targets for anger, ridicule or plain hatred. The other day, a senior academic administrator expressed his frustration about the deteriorating quality of teaching in universities simply by exclaiming: "teachers have become, well, a union"! Questions about the relevance of trade unions in the years to come are based on three categories of public information. (1) During the last few years, several academic and journalistic reports on trade unions have highlighted failures of union leaders to understand the changing needs of workers and sustain their loyalty, resulting in decline of their countervailing force. (2) A lot of concern is being expressed regarding the use of union power to serve the vested interests of chosen individuals and groups. Collusion between union leaders on the one hand and government or employers on the other is believed to be growing. Trade unionism in public opinion is easily equated with militancy, absence of commitment to work, irresponsible behaviour and unreasonable demands on employers. (3) Many people with creative ideas and

aspirations about the new society have begun to forecast that unions may become irrelevant in the twenty-first century as their present functions will be performed by more enlightened and humanistic management.

But let us not get overconcerned with these ultra-modern views and predictions. For similar forces seem to be at work in several western democratic societies. Questions about the usefulness and relevance of unions have been raised in North America and various countries of Europe. A quick survey of published literature on the subject indicates a progressive decline in union membership and popularity in these countries. In the U.S.A., this decline has been quite sharp during the post-war period, from about one-third in the 1950's to about seventeen per cent in 1987. This decline is attributed to several factors such as a rapid shrinkage of workforce in manufacturing and corresponding rise in the service sector, saturation of economic needs among workers and the lethargy of union leadership in responding to their new needs. In Britain and other West European countries, the drop in union membership is related to their growing economic crisis and consequent rise in unemployment. Britain has been a major victim of economic downfall since the 1960s. The early warnings led to dramatic reforms in the 1970s with a progressive tightening of control by the state over the

unions. Unions were weakened by the combined force of unemployment and the employers who were pushed to the wall with stiff competition and poor performance. This eventuality led to the end of the Keynesian welfare state and the process designated as corporatism which inducted unions into a tripartite system of consultative decision-making with government and employers. Such consultative management of industrial relations inevitably led unions to agree to proposals for restrictions on wage demands and work stoppages as well as for raising productivity through labour-saving technology. In spite of well-orchestrated intentions to regulate the economy, government could not formulate a viable incomes policy. Social scientists developed the principle of social contract in the field of labour relations whereby employers and unions would accept commitment to honour negotiated settlements on a long-term basis. These attempts however increasingly placed trade unions in a defensive position against the combined force of government and employers. This resulted in growing alienation between unions and their members who had learnt to treat union membership as a "meal ticket". In short, the decline of membership is not merely a function of unemployment. Most significantly, it is a function of rising mistrust among workers for their leaders who are increasingly unable to satisfy their urgent needs in the areas of job security and the right to protest or agitate for a better deal. This leads to a serious dilemma

for union leadership. If they support workers, they would be damned by employers and government as socially irresponsible. If they support government and employers, they would let the unions be damned by alienation of their members. This dilemma has lately been managed by increasing submission to the needs of employers in view of the critical economic situation in the country. Similarly, unions in Scandinavian countries have made a formal agreement with employers to concede an exclusive right to management to manage their enterprises. This is a significant evidence of shrinkage of unionpower.

Ironically, while unions in the western capitalist societies have been losing their independence and power vis-a-vis employers and government, the unions in several newly-liberated socialist countries of eastern Europe have successfully pressured their governments to grant them independence to become a separate socio-political force in employees' interests.

Trade unions undoubtedly are not alone in facing questions about their value and relevance in a changing society. All institutions encounter such questions at some stage or other, which reminds me of a belief in intellectual circles that institutions show signs of degeneration just as they celebrate their silver jubilee. However, like human beings, institutions are lucky

in varying degrees. Those which contain human interactions more internally and pose less immediate threat to people in power or to the public at large (e.g. educational institutions) can continue comfortably in spite of questions about their value and relevance. Those, like unions, which carry aggressiveness and militancy as a part of their mandate are more vulnerable to public criticism.

Let us examine the various social forces which have contributed to the current crisis of Indian trade unions. I would however like to begin by remembering the founding fathers of Indian unions who, in the early years of industrialization, developed special sensitivity to the workers' experiences of poverty and exploitation. These leaders raised the conscience of workers and the general public in favour of the values of social justice, fairness and equality. Many of our trade union leaders during the pre-independence days were torch-bearers of this legacy of creating trade unions to seek fulfilment of the basic values on behalf of workers. One wishes this legacy had become the prime force to nurture the growth of trade unionism in India.

Unfortunately, the dominant characteristics of our trade union movement consist of fragmentation, disunity, internecine wars and dependence on political patronage for achievement of short-term goals for specific seg-

ments or factions of employees. Fragmentation among unions and employees is originally a product of their genesis and growth in close connection with political parties. But this political foundation of fragmentation and conflicts among unions is reinforced by the multi-splendoured division of the society on the lines of caste, language, region and religion. It is also supported by a permissive law allowing legal status to unions with insignificant membership and absence of a viable method for identification of a representative union in multi-union situations. These loopholes in labour-law are well known and umpteen attempts have been made since 1947 to modify the law in the interest of strong and effective trade unionism. Virtually every new government goes through the ritual of planning for change in labour law for more effective and disciplined industrial relations. There have also been a couple of comprehensive reviews of labour relations in the country leading to popular expectations of a major turnaround. I find it sadly amusing that every periodical exercise by government to amend the law for this purpose inspires employers, professional managers, trade union leaders and academicians to engage in furious debates on the implications of the proposed amendments. Ultimately, on each occasion, the intellectual controversies are consigned to the archives of social memory as government abandons the effort to pursue the legal reform.

It is quite easy to understand why we have been indulging in such fruitless rituals for over four decades inspite of successive failures. Everyone knows that legally approved fragmentation among unions leads to serious overall disability of the trade union movement in achieving its primary objective. It is equally well-known that disunity among unions results in power-oriented conflicts among union leaders which, in turn, generates indiscipline and losses in productivity. When these problems reach a critical stage as a result of popular reactions, the politicians in power find it expedient to initiate action for changing the law. However, any proposal for change in law invites conflicting responses from unions and employers. Ultimately, expediency dictates that the proposal for change is duly shelved.

The disunity among the major union federations at the national level is a product of their respective political loyalties and ideologies. There are of course many cases in the post-independence trade union history where union leaders have crossed ideological and political boundaries for different reasons. However, the major ideological orientations such as Gandhism, socialism, Marxism and communalism continue to divide trade unions at the national level. Each ideology produces



its own utopia and union leaders assume an obligation to lead their unions in search of their respective utopias. This search serves to cement the walls among unions.

We should also consider another crucial aspect of this phenomenon. The fragmentation and disunity underlying the trade union system has provided endless opportunities to politicians and their parties to support or oppose unions according to their political convenience and hence make chosen unions dependent on their political mentors. This dependence is reinforced by the superimposing role assigned to government by law in matters of industrial disputes. The government's competence to intervene in industrial disputes at any stage at its discretion has left the field wide open for politicians in power to support, cajole, coerce or exploit any group of employers or trade unions according to their political convenience. Unions associated with ruling parties at a given time acquire special countervailing power which can be used against employers, rival unions or one's own membership according to political need or compulsion. Our history of industrial relations is full of events of misuse or abuse of political power in this regard. In states like Tamil Nadu governments and their associate unions have often coerced employers into submission to their dictates with total disregard for law, discipline, productivity or even workers' interests. Marxist unions in West Bengal have been

helping employers against workers' interests to enable their patron-politicians to show a good record of economic and industrial performance. In this background, people in power can easily reckon that any change in law to reduce the evil effects of fragmentation among unions would imply reduction in their own leverage to exploit trade union power for political ends. This is an important hidden agenda contributing to our collective inability to change labour law for a socially relevant and effective system of industrial relations. I would therefore advise all my friends not to get unduly excited at any government sponsored exercise in reforming labour law until you encounter some element as critically different from what you have seen so far since 1947.

While this legal-political hurdle in the growth of healthy trade union systems continues, the gospel of trade unionism is spreading fast to be embraced by almost every category of people qualifying for the title of employee. In the early years trade unions were regarded as the exclusive preserve of blue-collar workers. As white-collar employees began to experience the impact of rising prices and stagnant incomes in the wake of the second world war and independence, they also witnessed the economic gains achieved by blue-collar workers by means of trade union action. Along with this, the white-collar began to lose their identifica-

tion with management as work organizations grew more complex and large in size. Hence the traditional inhibitions about joining unions started melting. The same experience then attracted supervisory, technical and managerial personnel who realized the need for collective action to fight for socio-economic benefits and also to ensure protection against pressures from employers or from other sections of fellow-employees. In the banking industry, for instance, one most consequential factor compelling senior officers to unionize was the collusion between top management and workers' unions which eroded the authority and credibility of middle management personnel. Collective action with the help of unions and associations for protection of rights and interests has now spread to cover professionals like teachers, medical personnel, bureaucrats, technocrats, writers and artists. Indeed, we should note that it is not entirely uncommon for people who would qualify to be labelled as employers--like chairmen of companies and corporations--to discreetly indulge in collective action for enhancement of their employment interests. Work-stoppages and other forms of coercive action sponsored by unions are becoming increasingly regular among medical and para-medical professionals, transport personnel, teachers and other elite categories of employees. The increasing incidence of such behaviour among the higher strata of employees has earned them the title "blue-collar officers". Like Buddhism, trade unionism has

spread well outside the arena of its birth while the native population - the deprived workers - have received its grace rather parsimoniously.

On the face of it, the spread of trade unionism among higher socio-economic categories can be regarded as a healthy growth of the trade union spirit. However, the concrete behaviour of unionized officers, managers and professionals does not lead us to such euphoric conclusions. These unions are usually managed by an oligarchy of internal leaders who acquire and retain power over management and union members by fair or foul means. Union leadership then becomes an instrument to be employed to please, oblige, humiliate, coerce or blackmail different people according to the need or convenience of leaders. In some public-sector banks, such unions have acquired considerable control over the function of personnel management. They can virtually dictate their managers' decisions on transfers, promotions, special benefits, employee grievances, discipline etc. I have on a few occasions witnessed the sorry spectacle of union leaders humiliating top-level managers in the presence of strangers and the managers responding as if they were the hired minions of union bosses. This type of power is far removed from the countervailing power of unions to be employed in pursuit of the basic human and social values as I had mentioned

at the beginning. It is such union behaviour which invites the concern that unions have become too powerful and irresponsible. Also, such unions usually cover the higher socio-economic strata of the working classes. Hence, insofar as these unions clinch special economic benefits and privileges from employers through collective action, they contribute to the widening of the socio-economic gulf between the affluent and the deprived sections of employees. A large proportion of the deprived sections of workers are still denied even the basic assurance about a reasonable wage for their labour. Labour aristocracy perhaps cannot be eliminated, but we should not overlook its role in the context of trade unionism.

Trade unions are known for their oligarchic leadership pattern inspite of corrective conceptual models such as the iron law of democracy to balance the well-known model of the iron law of oligarchy. But the nature of oligarchy is not uniform in the trade union system. The leaders of the earlier blue-collar unions were drawn into union leadership in connection with their social and political ideologies and hence contained a missionary approach which implied acceptance of the basic human and social values which I have spoken of. These leaders had a vested interest in their union positions and often acted as monitors or controllers of

members' actions. But their behaviour was still guided by the spirit of service, commitment, honesty and integrity. With the expansion of trade unionism across segments and strata of working classes, the missionary leaders have been replaced or supplemented by ideologically neutral professional leaders who often behave like bureaucrats and businessmen providing legal and organizational service for a fee. Thus, human relations among leaders and members within unions are increasingly becoming commercialized. At the same time, unions cannot turn into fully commercialized entities as their original mandate is to lead collective action in pursuit of social values. This ambivalent organizational reality invites lumpen elements into roles of leadership. Increasingly, we hear about union leaders who do not hesitate to collude with managers in acts of victimization against workers in return for favours for their families or friends. These leaders are not infrequently guided by lust for power and greed and hence easily indulge in corruption, malpractices and coercion. Such forces would naturally encourage commercialization and lumpenization among workers for selfish gains. The union power is then vitiated by mutual distrust, suspicion and non-cooperation among managers, union leaders and workers. When such forces join hands, militancy in union behaviour cannot be far behind. This kind of union-

power in reality makes unions weak. Ironically, it is this weakening power which attracts the popular belief that unions have become too powerful.

We should also take cognizance of the steadily widening professionalization of enterprise management. Professional managers as a rule constitute an independent force in employment relations and are interested in applying their knowledge and training to concrete managerial problems. Their knowledge and training in the area of employment relations usually include the humanistic models of participative management, motivation, job enrichment, HRD etc. Many of these managers are also trained to recognize the limitations of western concepts and look for alternative styles of management such as the so-called Japanese system or an indigenous system based on the traditional Indian values or Gandhian philosophy. These alternatives are sometimes projected as a means to building a relationship of mutuality between management and workers without the assistance of a third agency. At the same time, these managers develop apprehensions about the relevance of trade unions in the background of their knowledge about the various forces in trade union behaviour as I have recounted.

This emerging trend is supported by the changing socio-economic profile of workers. Industrial jobs are now progressively manned by a relatively young, educated and socially mobile labour force influenced by the modern consumerist culture. Increasing proportions of middle and higher socio-economic strata have been entering industrial jobs. From management's point of view, these workers would be expected to be more willing and capable than their predecessors to respond positively to management's programmes for participative management and HRD. This would make management and workers equally committed to resolving all issues of management of people between them without the involvement of unions. While such an expectation is logically alluring, the new generation of workers is perhaps getting into more serious tensions and conflicts with management as a result of the growing turmoil in the economic environment in recent years.

The accelerating turbulence in global business and economy and its serious economic implications for Indian economy have caused complex uncertainties for large segments of industry. Many enterprises operating in highly competitive markets are faced with the choice of drastic reduction in the cost of labour or closure of business. In the interest of survival, they feel obliged to adopt labour-saving technology, modify work-



load standards of labour to enhance productivity and parcel out part of their manufacturing responsibility to ancillary producers. All these measures are detrimental to the immediate interest of employees who are often pushed into accepting higher norms of workloads and partial redundancy or retrenchment. The employers are willing to offer a better package of rewards to workers in view of the savings in labour cost accruing from revision of workloads and ancillarization of production. They receive support in this endeavour from union leaders who are probably insensitive to the immediate concern of workers regarding workloads and loss of jobs. Union leaders expect to make workers happy with higher economic rewards which are less important to workers compared with their shop-floor problems. The leaders' strategy is to yield to management's need for rationalization of jobs and workloads in the interest of survival of business and, in return, obtain concessions from management on economic benefits and discipline. Thus, while management and union strike a collaborative bargain for peace, productivity and prosperity, the workers and shop-floor leaders are alienated from both and indulge in militant protest action. The union thus loses value for its members. We are perhaps in the midst of a significant metamorphosis in trade unionism. While conventionally, trade unions are supposed to combine workers against employers, the employers have begun to see methods of participative management as a

means to combine with workers against unions. On the other hand, the new economic crisis tends to combine employers and unions against workers. Conflict and cooperation run in a circle.

I must now share with you the open secret that the various forces contributing to the questions and apprehensions about the value of trade unions in the emerging scenario of industrial relations as I have analyzed do not apply to all unions in our country. I am deeply aware of my extremely limited competence to claim knowledge or understanding of the complex and heterogeneous reality of trade unions. I am sure there are many unions and associations which approximate closely to the fundamental logic of unionism in the sense of representing employees' interests and pursuing them vigorously within the limits of social discipline. There must be unions all over the country which function in a healthy and effective manner regardless of the political, social, legal or economic currents carrying the destructive power as I have summarized earlier. Probably the healthy trade unions symbolize the exceptions which prove the general trend of deterioration.

What prediction can we make from the existing reality of trade unions? Past experience suggests that the spectrum of employment relations including trade

unions is characterized by tender-mindedness, ambivalence and expediency. We should therefore expect yet another attempt by government to modify labour law for making trade unions more effective and acceptable in the larger community. Meanwhile, the political and personal games to exploit trade unions for selfish and factional gains will continue. Concurrently, the enlightened management efforts to strengthen HRD and participative management for direct dealings with workers and the workers' alienation from union leadership under economic crisis will also continue.

The most crucial part of the emerging trade union scene is the widening gulf between union leaders and workers. There is a real danger that if leaders respond too favourably to the immediate needs of workers in terms of job security and workload revisions, they may be labelled as unrealistic or irresponsible by employers and the public. As the recent British experience suggests, unions are gravely vulnerable to pressures from employers and government during a period of economic crisis. On the other hand, if union leaders show too much sensitivity to the problems of industry and the larger economy, their alienation in relation to workers may grow. Clearly, the primary responsibility of union leaders is towards workers. Hence serious efforts to understand and sympathise with workers and respond to their concrete problems and needs may be the most urgent

task. But this responsibility will have to include some concrete method of making workers aware of the economic and social constraints within which their interests can be meaningfully pursued. The process of liberalization of the economy in the context of globalization of markets implies that market forces have acquired crucial significance in all aspects of economic activity including employment relations. Hence all segments of business will need to make sacrifices while pursuing their respective wants. However, these sacrifices should be evenly distributed among various stakeholders. The distribution can be meaningfully organized only if there is adequate trust between management, unions and workers. Such trust can be built only if the parties maintain mutual understanding, tolerance and respect. This is indeed a far cry from the current situation which is dominated by tripartite distrust as a veteran trade unionist recently described it. For this purpose, workers and union leaders may need to be conscientized to the value of playing the protest role more maturely and realistically. Hence purposive social training of workers may have to be developed as an important function of trade unions. Trade unions can perhaps design purposive and innovative methods of human resource development for leaders and workers in this perspective.

The political, social and legal forces responsible for fragmentation within the unions and within the labour force are quite overbearing in their impact on trade union effectiveness. Hence a joint action by trade unions to control political interference and remove the legal obstacles to trade union viability seems to be most consequential for enhancing the value of trade unions. In view of the generally unfavourable public opinion on the current reality of trade unions, unity among them has a lot of urgent value. The past experiments in achieving limited unity among trade unions have been shockingly unsuccessful. Still it should remain an urgent unfinished agenda.

Similarly, there is no escape from the need to deal with the process of lumpenization of union leadership with all the union power one can command. As long as people yield to immediate selfish goals, there is no way to lend credibility or acceptability to unions among workers, employers and the public. It is common knowledge that pursuit of vested interest, corruption and greed at any level in human relations gradually snowballs into a debilitating ailment for the entire system. We need to generate and apply as much counterpower as we can to check this evil. Corruption also reinforces mistrust among union leaders, workers and managers. Tripartite mistrust and tripartite wickedness are comrades-in-arms. Together, they augment their striking

power. We all know how often responsible and sensible workers argue they will not fulfil their obligation to unions or employers because they are not trustworthy. Such attitudes and behaviour are dutifully reciprocated.

The new methods of participative management and HRD are quite conducive to the need for greater understanding and collaboration between managers and workers and resolution of concrete problems of management at the operating levels. The spirit of professional management has touched managers, union leaders and some sections of workers who are exposed to training and development efforts. As a part of this exposure, they become aware of the dysfunctional aspects of collective bargaining and hence look for non-bargaining models of employment relations. The humanizing and participative models constitute a special appeal for these people. However, such new approaches cannot ever eliminate the basic function of unions to lead collective action towards removal of inequality and injustice in labour-management relations. It is most important to understand and recognize that work-place harmony and conflict of interests are two sides of a coin and should be treated as equally important. Neither can subsume or substitute the other. Many people have realized from experience that any attempt to promote harmony and cooperation in

industry without effective resolution of conflict of interests will fail to yield desired results.

Trade unions may also need to strengthen their contribution to social and economic policy. It appears that the role played by unions in formulation and implementation of labour policy has been progressively shrinking over the years. This is partly due to relative inaction at the level of government and community in the area of review of labour policy. But the reduced role of unions is also due to the growing multiplicity of unions accompanied by reduced strength. The issue of trade union unity is important in this context.

In western countries, those unions which are facing problems of declining membership and social acceptance have begun to assume new functions in the areas of community welfare and problems in the environment. Their new tasks include community health and education, housing for the poor, and fight against degradation of natural resources. Such a need for a new social role of trade unions in India is also expressed occasionally by union leaders and others. Some unions have developed concrete plans in this regard. While unions move in this direction, we will need to continually raise and answer the profoundly simple question: What are trade unions for?

### Note

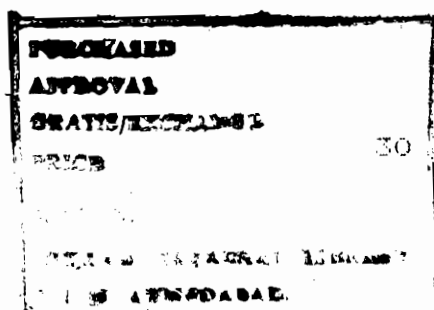
I have consciously avoided citations of the references I consulted for writing this paper. I wish to state that at various stages the information and reflections contained in the paper are drawn from or inspired by the references listed below. I owe much gratitude to the authors of these publications for what I have learnt from them. My colleague K. Kumar helped in scanning library sources for which I am grateful.

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